APPENDIX.

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APPENDIX

TO THE

CONGRESSIONAL RECORD.

The Silver Coinage.

SPEECH

OF

HON. JAMES L. PUGH.

OF ALABAMA,

IN THE SENATE OF THE UNITED STATES,

January 11 *and* 12, 1886.

The Senate having under consideration the resolution submitted by Mr. BECK December 18, 1885, relative to the payment of customs dues in coin and the execution of the laws relating thereto—

Mr. PUGH said:

Mr. PRESIDENT: Congress has no power more important than that of coining money and regulating its values, and none that has been attended with greater difficulties in its exercise. Every civilized government in the world has this power, and has experienced the same trouble in solving the problems of coin and paper as money of account and contract. With the aid of all the learning in the world the most advanced statesmanship is still grappling with these problems at the precise points encountered in the beginning. All legislation upon finance and currency is necessarily more or less speculative and experimental, dependent as it is for results upon natural laws and conditions over which law-makers can exercise no control. The first question, and the whole question, for Congress to decide is whether existing laws to coin silver and regulate its value should be repealed, suspended, or amended. Is our currency unsound or in danger of unsoundness by the continued annual coinage of 24,000,000 of silver dollars? Is the country suffering or likely to suffer by this annual addition to our coin currency? Where is the proof of unsoundness and suffering and necessity for a change?

I venture the statement that at no time in our history has our paper or metallic currency been as sound and perfectly healthy as it is to-day, and our country never has been freer from financial trouble or in a more universally healthy and prosperous condition. The financial and industrial reports from all parts of the United States concur in the statement that everything has improved and is improving on the situation of last year, except in the amount of our exports, which are short of last year for the admitted reason that the demand and consumption of American commodities have diminished on account of the inability of the industrial classes in gold-using countries abroad to purchase the necessaries of life. Mr. Swank, the best-informed man in the country on the condition of the iron and steel industries in the United States, in his late report states that they are in a promising condition, and not in the least affected by the excitement about silver in financial circles. The same report comes to us in the Manufacturers' Bulletin, published in Boston, as to the condition of the dry goods trade. Whatever affects our currency or our commerce, locally or generally, to-day is liable to affect them forever from causes that exist unavoidably in everything that is human and the work of man.

How much gold coin is there in the United States and how much are we producing? How much silver coin is there in the United States and how much are we producing? What is the capacity of our mines to produce both metals? The following is the last authoritative answer to these questions. The report of the Director of the Mint for 1885, page 27, shows that on the 1st of July, 1885—

The amount of coin in the country was some $820,000,000, of which $542,000,000 consisted of gold coin and $278,000,000 of silver coin. * * * The gold and silver bullion in mints and assay offices on July 1, 1885, and available for coinage, was $71,501,682, making the actual amount of coin and bullion in the country $892,500,519.

The same report, page 3, shows that—

The domestic production of gold bullion was on July 1, 1885, $31,584,436, and of silver bullion, same year, $32,250,044. The total coinage value of the gold and silver bullion purchased at the mints was $89,683,850.

How much paper currency have we in the United States? In legal-tender Treasury notes (greenbacks) we have in round numbers $346,000,000 that can not be reduced under existing laws. On the 1st of November, 1885, there were 2,727 national banks in existence, with their note circulation of $315,847,168, including notes of national gold-banks, making in the aggregate of actual coin and paper currency in the United States $1,471,847,000—in round numbers, $1,500,000,000.

What is the matter with this volume of American currency? Is it unsound, or is there any well-grounded apprehension of its serious derangement or unsoundness? How are these important questions to be answered? Our aim as lawmakers, charged under oath with the grave duty of voting upon all propositions to change or suspend the operation of existing coinage or financial laws, should be to get at the truth and be governed by it as free as possible from passion, or prejudice, or the influence of party, or the spirit of crimination or recrimination.

In the examination and discussion of the troublesome questions of finance the opinions, arguments, and conclusions of others should be weighed according to their real merit; and to ascertain how much they are worth we should scrutinize the motives, capacity, experience, practical knowledge, integrity, and disinterestedness of the authors. Is it a fact that those who take part in the discussion of financial questions and make arguments and express opinions to influence legislation belong to the creditor or the debtor class, or are they producers or capitalists? The people understand that those who supply money and those who use it are widely separated in interest. Capitalists and creditors own United States bonds and national banks, and these banks issue paper money on these bonds and aid in making the volume of our circulating medium. Capitalists and creditors mostly own the deposits and use the checks on banks and clearing-houses. Farmers, laborers, mechanics, artisans, and manufacturers own commodities made up of cotton, wool, and other raw material, and wheat, corn, meat, animals, muscle, and brain.

These commodities and human agencies bring money, and the amount depends upon the supply and the demand for them and very largely upon the quantity of money in circulation. If there is but little money and plenty of commodities, the price will be low. If there is a sufficient supply of money, the demand for commodities will be greater and the price higher. Too little money will always buy more commodities, whether the supply be great or small. It is manifestly to the interest of those who have idle money, or money to invest, to make its purchasing power as great as possible. The smallest volume of money will buy more labor, productions, and property than a larger volume. Hence money-holders generally favor contraction of the currency, and commodity-holders favor a volume of circulation that comes up to the point where equality is found between the supply of money and commodities. "The quantity of necessary, useful, or gratifying products is the measure of wealth, and money is the just measure of commerce and exchange and the standard by which contracts are fulfilled."

It is very natural that those who have labor and land and machinery to produce commodities should favor a plentiful supply of money to make market prices more remunerative. It is also very natural that those who have money to lend and to employ labor and purchase crops and other productions should want their money to have as much purchasing power and bring as high rates of interest as possible, and they know that the less money there is in circulation the less competition and the less market price. Those who owe debts can pay them easier when money is plenty than when it is scarce, and the creditor to whom the money is coming wants it to have as much value and purchasing power as practicable.

These are plain truths well understood by the people. I hear no complaint from the people that the amount of currency that is or could be put into circulation is too large. They do complain that the circulation of our supply of currency is withheld and obstructed for the purpose of exciting undue influence upon public opinion and Congress. We all remember the cry against the passage of the coinage act of 1878. It came from the same men and newspapers who are now clamorous

for the repeal of that act. They told us then, as they do now, that cranks and fanatics favor the coinage of silver. That they knew it would load us down with a cheap and useless currency, and according to Gresham's law, which is universal and unvarying in its operation, gold would be driven out of circulation and all currency would give way to the depreciated dollar and cause gold to be hoarded, and discredit of Federal securities; but the cranks and fanatics restored silver to coinage and made it a legal tender, and after seven years trial we call for actual results, and what is reported? We have $215,000,000 of silver and $550,000,000 of gold. Federal securities are 24 per cent. premium. For 1885 our exports of gold were only $8,477,892, while for 1884 they were $41,081,957, or $32,000,000 less. Our exports of silver for 1885 $33,750,633, or more by $8,000,000 than for 1884. While our gold imports the year 1885 increased $4,000,000 over those of 1884.

And what has become of Gresham's law that the cheaper would drive out the better dollar, that silver would supplant all the par currency and occupy the whole field of circulation, when the fact reported by the Treasury officials is that the people do not want silver, will not take it, and the Treasury is overloaded with unused and idle silver dollars?

But how gratifying the admission in the last Treasury reports that the $215,000,000 of silver, the fruit of the Bland bill, that was to spread poison in every direction and produce such dire consequences, can be made as good as gold and absorbed by the people in our circulating medium if we will be so good as to suspend further coinage. What a grim satire upon the financial sagacity of our present instructors in the science of political economy! Is it not a great triumph of the Bland bill that its enemies are compelled to admit that our silver currency has been increased $215,000,000 without driving out a dollar of gold or depreciating Federal bonds, and that all this silver can be utilized in circulation if we will be wise enough to stop the silver mint. As these financiers have shown themselves mistaken seven years ago it is not impossible that they are now mistaken in their opinions and predictions. One request I make, and that is for the Federal Treasury and national banks to stand aside and allow Gresham's law to have full and free operation on silver currency.

There is a most important difference between gold and silver coin and paper currency that is hoarded by individuals or lying in the vaults of banks and gold and silver and paper currency that is in actual active circulation among the people. It is very material that we approximate as near as practicable what amount of coin and paper is required by our people for active use among themselves to make our trade and commerce prosperous on a reasonably permanent, legitimate, and healthy basis. We should never lose sight of the important fact that our entire volume of currency, whether gold, silver, or paper, circulates only among ourselves in the United States. Not a dollar of our gold, silver, or paper circulates or has any purchasing power as money in any other country in the world. All our gold and silver coin is nothing but bullion when it leaves this country, and is marketable by the pound, just as beef and iron. Remember, then, when we talk about gold and silver and paper as money we only mean, and must necesarily mean, that which is made money by a law of Congress and the stamp of the Government. Where is the necessity for legislation?

President Cleveland and Secretary Manning have communicated to Congress the information that our volume of circulation is made up of an incongruous, conflicting, and irreconcilable mass of paper and coin—national-bank notes, legal-tender greenbacks, gold and silver certificates, and standard gold and silver coin. These high officials in discharging their solemn duty according to their honest convictions have recommended to Congress in substance that the legal-tender greenbacks be redeemed and retired from circulation, that no more coin certificates be issued, and that the coinage of silver be suspended. The same information and the same recommendations were made by President Arthur and his Secretary of the Treasury in two annual messages to Congress, and I remember no Republican in either House who was bold enough to introduce a bill to carry out either of these recommendations.

President Cleveland is the Chief Magistrate of this great Republic. I have much confidence in his practical sense, sound judgment, unwavering integrity, manly firmness, and devotion to constitutional principles. He and I and other members of the national Democratic party may and do differ on the troublesome economic questions of finance and currency, and we may and no doubt will differ on questions of detail in the adjustment of revenue and tariff legislation. I know that these subjects are incapable of final and satisfactory solution. They are so far-reaching and complicated in their operation upon the varied pursuits and interests of the people of this wonderful country that I can not consent to be so self-conceited, so intolerant and exacting as to make such differences the cause of quarrel or our separation. These subjects are regulated by laws of Congress that are always open to repeal or amendment. The President recommends measures to Congress and we have to vote for these measures to give them the force of laws. I have given thoughtful consideration to the President's recommendations and feel constrained to withhold from them my support.

The report of the Secretary is the most luminous and powerful presentation of the reasons and arguments in favor of his proposed "currency reform" that have been or can be produced. He avers that our currency is suffering from two disorders:

1. The act of February 28, 1878, requiring "perpetual Treasury purchases of at least $24,000,000 worth of silver per annum" to be coined into unlimited legal-tender dollars and issued to the people as equal in value to gold dollars.

2. "The act of May 31, 1878, which indefinitely postponed redemption and payment" of the $346,000,000 of unlimited legal-tender greenbacks.

The Secretary charges that "these two acts are each a separate menace to the public tranquillity and injurious to the public morals and the public faith," and he "commends to the consideration of Congress the immediate repeal of the clause requiring Treasury purchases of silver bullion and repeal of the act making compulsory the issues and reissues of legal-tender" greenbacks. How is it that the public tranquillity is menaced and public morals and public faith injured? The Secretary answers that "the coinage act of 1878 is overloading the mints with unissued and the subtreasuries with returned silver dollars, and will unavoidably convert the funds of the Treasury into those depreciated and depreciating coins."

These charges unavoidably lead us into a wide field of inquiry.

The first general question to be answered is how much real honest money do our people require to carry on *among themselves* their own trade and commerce on a legitimate, safe, and permanent basis to insure reasonable and healthy results and conditions? The radical and far-reaching changes made in the last twenty years in the agencies and instrumentalities of trade and commerce and in the methods and practices of conducting business transactions have introduced so many new factors as to greatly modify and render inappropriate many of the rules and principles heretofore taught by the ablest financiers.

As illustrative and explanatory of my meaning I desire to quote from the report of the Comptroller of the Currency to Congress in 1881, page 202:

It is evident that the amount of coin and paper currency used in any country depends largely upon the number of banks and bankers it contains, and upon the method of doing business; and no theory is more absurd than that which has been so frequently urged during the currency discussions of the past few years that the amount of money required is in proportion to population. Tables showing the per capita of coin and currency in use in any country are curious and interesting, but almost valueless in determining the amount of paper money required. Through the machinery of the bank, with its system of checks, bills of exchange, and clearing-houses, large amounts of business may be settled without the use of coin or circulating notes. Coin and currency are but the small change used in trade. Checks and drafts are substitntes for money, and in every case, if these were not used, the latter would be required.

Again, at page 198 of the same report he prints tables showing the relative amount of gold and silver and paper, and checks, drafts, and bills of exchange in daily use by the national and other banks in their vast transactions.

This table "exhibits the total receipts on June 30, 1881, of the forty-eight banks in New York city, the fifty-four in Boston, the thirty-two in Philadelphia, and the nine in Chicago, and the proportion which the receipts in each city and the aggregate of all of them bear to the receipts of all the banks on the same date. It also shows the receipts and proportion to the whole of the banks in twelve other cities, and the same as to the remaining banks of the country."

From an examination of this table—

Says the Comptroller:

it will be seen that the receipts of the forty-eight banks in New York city, the fifty-four in Boston, the thirty-two in Philadelphia, and the nine in Chicago comprised nearly four-fifths of the total receipts on June 30, 1881; while the receipts in the sixteen reserved cities, named in another table, on same day were more than 85 per cent. of the whole amount; the receipts of the New York city banks were three-fifths of the whole, which fact shows how closely connected is the business of all the national banks with the great commercial center of the country, nearly every bank and banker in the Union having deposits, subject to sight-drafts, at that point.

The next table shows for same date the receipts of the banks in each State and Territory, exclusive of those above named, with similar percentages. Attention is called to the remarkable coincidence shown in the table in the percentage of checks and drafts for the date named, it being 81.7 per cent. in each instance. The percentages of the cities for the same date also correspond very nearly.

What amount of coin and paper currency and checks and drafts were used in these bank transactions and what is the proportion in the respective amounts used by the banks of coin and paper and checks and drafts on June 30, 1881, an approximate relative amount of business having been done every business day in subsequent years, as shown by the Treasury reports every year since? There were, says the Comptroller, in 1881, "6,796 banks and bankers located in all the principal cities and villages in the Union, and the number of checks and drafts in daily use by our own people is consequently larger, in fact, far greater, than anywhere else in the world."

The Comptroller then furnishes tables giving the amounts and ratios of gold and silver coin and paper money, as well as that of checks and drafts, in each of the cities, States, and Territories of the Union:

The New York Clearing-House Association was formed in 1853, and is now composed of forty-eight national and twelve State banks, and the assistant treasurer of the United States at New York.

Through the courtesy of Mr. W. A. Camp, its manager, a statement of the transactions during the year ending October 1, 1881, has been obtained, which shows that the total exchanges were more than $48,000,000,000 while the balances paid in money were less than $1,800,000,000. The daily average balances paid in money were nearly $6,000,000, or about 3½ per cent. of the amount of the settlements. * * * The average proportion of checks and drafts was 81.7 per cent. * * * The gold coin equaled 1.38 per cent. of the total receipts; the silver coin

0.17 of 1 per cent.; the paper money 4.36 per cent., and the checks and drafts 91.85 per cent., while the checks, drafts, and clearing-house certificates together were equal to 94.09 per cent. of the whole. The total percentage of cash on that day was 5.91 per cent. only.

* * * * * * * *

Checks, certificates of deposit, and drafts, or bills of exchange, which are now used so largely as substitutes for money, are the most important and useful parts of the machinery of the bank. The issue of circulating notes is not an essential feature of banking, for there are many banks in this country, chiefly incorporated under State laws, which do not issue such notes. But checks and drafts are almost as indispensable to the successful conduct of the business of banking as capital or deposits.

The foregoing instructive facts and figures are American and relate to American banks and their use of coin and paper money and checks and drafts in their vast transactions.

How is it in European nations? The same Comptroller reports that—

In England banks and bankers are numerous and large numbers of such instruments of exchange are used, particularly in the principal cities. In France, on the other hand, their use is much more infrequent, for, except the Bank of France, with its ninety branches, there are no incorporated banks in that country, and thirteen of these branches were conducted in 1880 at a loss of more than $30,000.

A paper read by Mr. Pownall, which is published in the London Bankers' Magazine for November, 1881, says:

It will be seen that the proportion of checks and drafts used in London does not vary greatly from that of the same items shown in the receipts of the banks in New York city. The proportions used in the banking business of the country districts is less, as in the United States it is less in the banks outside the cities. But the use of checks and drafts in the country districts in the United States is nearly 9 per cent. greater than in the corresponding districts in England.

From the same authority we learn:

The proportional use of credit documents and metallic money in English banks. * * * The paper is elaborate, and among others gives tables showing the proportion of gold coin, silver coin, bank notes, and checks used by banks located in agricultural places, in the metropolitan area, and in the cotton, woolen, iron, pottery, and silk manufacturing districts. * * * The entire paper will greatly interest the economic student.

But the following extracts will be found particularly instructive, as indicating the tendency of modern thought upon banking and currency complications growing out of far-reaching changes in the machinery of banks and their methods of business:

There is—

Says Mr. George H. Pownall, a great English financier, speaking before the Institute of Bankers in London—

a certain grim satire in these figures when one thinks of the libraries filled with blue books full of weighty arguments, all curiously wrought out to help in the settlement of the great note question. It is clear that the check and the clearing system are the main lines upon which banking is destined to run. Dead theories respecting notes and the right of issue belong to the generation to which they were living verities. To us the living fact is the substitution of a new instrument of credit. For the present generation the improvement of the check and the clearing system, the mechanical details of office organization, those details of book-keeping which save time are, from the enormous number of documents passing through the hands of bankers, of more weight than the most learned treaties on notes and note-makers.

Banking statistics, gathered with due patience, would play a great part in industrial statistics. They represent trading totals, they rise and fall with prices, they expand with commercial prosperity, they contract in the day of bad trade. Systematically collected, they would furnish constant lessons. From no other source could we gain so much and so valuable information as to trading currents as from bankers. In their books the trading world is photographed. It has been calculated that 97 per cent. of the transactions of British wholesale commerce pass through the hands of the bankers of the United Kingdom. The sources of that commerce and its distribution must in the broadest way be marked in the totals of the banking world. The cottons of Lancashire, the woolens of Yorkshire, the shipping of Liverpool, the commerce and finance of London are all represented there. The tendency of this generation is to seek to place its theories upon an exact basis. How much would the social and trading life of England be illustrated if we could mark out, though only at intervals, or even for a single day, the magnitude of our great industries as they are represented in the books of bankers? The conversion of the mode of settlement of claims from payment by coin and notes into payment by checks and clearing is not merely a local or even a national movement. The American statistics, so opportunely published, demonstrate the wide-reaching influence of the causes working in that direction. Wherever the English race has planted itself and founded a community, there the tendency toward a common financial organization has shown itself. We see this at home, we see this in America; it is repeated in Australia. There is, therefore, in despite of much diversity, much that is common to all these systems.

Mr. President, I have thus presented to the Senate and the country the controlling influence of banks and bankers in deciding the most intricate and far-reaching question of modern times. The new factors of checks and clearings as substitutes for money had their origin in the war on silver in Europe and America, and these bank implements are and have been the most formidable and destructive with which the friends of silver have had to contend. Checks and clearing-houses have concentrated in banks and bankers, irresistible power in interstate and international trade and commerce, and their mighty influence and agencies in all industrial pursuits connect them necessarily and inseparably with any financial system in any country and make them potential in deciding the volume, character, and regulation of all currency.

See what mighty power banks and bankers possess in determining what amount of money the people shall have in their trade and commerce; when and to what extent the volume of circulation shall be expanded or contracted; whether coin or paper money shall circulate, and in what proportion. Look at the facts and figures I have furnished to prove how this vast power has been exercised. It is useless to tell the people that the banks and bankers will not use their power to promote their own interest. The people fully understand that checks and clearing-houses dispense with the use of money by banks and bankers in their dealings with each other, and make the volume of coin or paper currency in actual circulation a matter of comparatively indifferent interest to them. But it is not so with the people in their trade and commerce with each other. The people have no clearing-houses and but few deposits, and with them checks are a useless substitute for money.

Do not understand me as condemning national or other banks or their honest methods of doing legitimate business. On the contrary I believe our national banking system to be superior to any in the world, and I am its friend to the full extent of the rights and powers of bankers honestly, legitimately, and fairly exercised, but when they prostitute their powers and defiantly disregard the laws and objects of their creation to acquire absolute dominion over our supply of currency and thereby make themselves the soulless regulators of our trade and commerce and of the price of labor productions and property, they become public enemies and deserve instant annihilation.

Mr. President, notwithstanding the almost exclusive use of checks as substitutes for money in business transactions, all payments, great and small, depend for their integrity upon a true measure of value, and that measure must be made of coin of standard weight and fineness. All currency, whether coin or paper, that is entitled to be denominated real, honest money, whatever may be its volume, must at all times and under all conditions be able to stand the crucial test prescribed by Congress in the law which declares what shall be a dollar.

I have already stated the constituent elements of our fifteen hundred millions of dollars, and that no part of this volume of currency has any recognition or purchasing power anywhere in the world except in the United States. It is not denied by any person that everywhere in the broad limits of the United States, in the manifold and vast trade and commerce of our own people among themselves, each constituent element of our entire circulating medium is fully established in its purchasing power over labor, commodities, and property of every description, and is received in all payments as lawful money, each different kind of coin and paper having the confidence of the people that for the uses among themselves it is a uniform part of a harmonious volume of currency not equaled, and certainly not excelled, in its soundness and usefulness by any in the world's history. Then, what is the matter? Where do we find any cause for alarm?

President Cleveland and Secretary Manning and those who urge Congress to repeal and amend our coinage and currency laws have failed to state a single fact or a single cause originating, existing, and operating anywhere in the United States that has produced or can produce any unsoundness or derangement in our currency, or justify any change in our financial legislation in accordance with their recommendations. Every fact and every cause upon which they base their predictions of trouble and express the opinion that serious disorder in our currency and ruinous effects upon our trade and industrial pursuits are impending and threatening are foreign in their origin and existence. Congress is confronted with the highest official announcement that the United States have reached a crisis in their marvelous development and in their industrial growth and commercial relations that can be met and relieved only by concurrent action between our Government and the governments of England, France, and Germany, resulting in an agreement by which there shall be but one standard of value in each and all these countries, and that when such an international standard is thus established our entire home currency must be made to conform to it in equivalency and convertibility.

What are the foreign facts stated by Secretary Manning as being so potential and disastrous in their effects upon American conditions and welfare?

1. That, except for petty domestic uses, silver coinage has been suspended and silver disused as a legal-tender currency in England, Germany, and all the nations composing the Latin Union, and gold made the only standard of value.

2. That such suspension and disuse of silver as money of account and contract by leading European nations with whom we carry on nearly all our foreign commerce "has made that metal of unstable and falling value" and reduced the price of silver in our standard dollar from 100 cents to 80 cents in the bullion market of London.

From the existence of these two facts in Europe the conclusion is drawn that their necessary and unavoidable effect on American currency and commerce will be destructive morally, politically, materially, and generally.

It is not stated with any confidence by the President, the Secretary, or any who agree with them that there is any ground for hope that the Government of the United States will be joined or aided by any leading government in Europe in preserving silver as an equal with gold in the monetary unit of value to be employed by the parties to such union in their trade and commerce with each other.

It is, therefore, useless to blink the issue. The question for Congress to decide is whether the silver-coinage act of 1878 shall be repealed and the coinage of silver thereby forever terminated in the United States. It is a reflection on the common sense of the people and those who represent them in Congress in opposing such repeal to attempt to delude them by the use of terms. Suspension of silver coinage means and is

intended deliberately to have the effect of putting an end to silver except for pocket change and petty home uses on the same basis it occupies in Uurope.

Is this Senate ready for such action, involving as it does the most momentous consequences?

It may be presumption in me to say it, but I am too full of the conviction to retain it, that if the coinage of silver is suspended it will be a step that never can be retraced, and will lead directly and speedily to the consummation of a thoroughly organized conspiracy of the capitalists who own Federal bonds and national banks and two-thirds of the gold in this country to secure absolute control of all the currency in use by the people, as a measure of value, the regulation of its volume, and its consequent purchasing power over labor, property, and all commodities. To the capitalists who are parties to this conspiracy no such prize ever enlisted the energies of man. No wonder those who stand in the track of their endeavor are denounced as fools, fanatics, demagogues, unworthy of public attention and confidence. "The bankers, bondholders, and business classes," we are told, possess all the ability, learning, and experience on money questions, and they alone are qualified to decide what shall be money, how much of it the people need, and what shall be the price of labor, productions, and property.

Secretary Manning informs us that what he has recommended as "currency reform" "is much more than the deliberate judgment of the Secretary of the Treasury. * * * It is attested to him from the centers of trade in all parts of the country, as much from the South as the North, as much from the West as the East. * * * Not alone our able statesmen and instructed economists and financiers advise the stopping of the silver coinage now, but wherever our fellow-citizens are concentrated in commercial cities and towns the business classes engaged in the trade, the enterprises, and manufactures of those centers, and the still larger classes of workingmen employed by them urge the stopping of the silver coinage now." The Secretary further "respectfully submits that there is no compensation for the risk of a continued coinage of silver, and that a judgment so accordant of the great business classes who carry on the exchanges of the country must be accepted as a final estimate of that risk."

Who are "the great business classes who carry on the exchanges of the country?" The report of the Comptroller of the Treasury, from which I have quoted, proves that they are the bankers and bondholders who carry on the exchanges of 97 per cent. of the entire trade and commerce of this country, and that three-fifths of the whole passes through the banks and clearing-house of New York. The Comptroller's report further shows that most of the banks in the United States, numbering 2,727 national banks and over 4,000 other banks, and most of the other "great business classes who carry on exchanges" in all the great business centers in Northern, Southern, Eastern, and Western cities and towns, are bound to New York and her banks and clearing-house with hooks of steel. These are the great business classes who are the final arbiters and whose decision of the question whether the coinage of silver shall be suspended "must be accepted as final" without appeal or question.

I claim some right to speak for the people of the great State of Alabama, and I believe I have enjoyed opportunities equal at least to those had by the Secretary of learning the sentiment of all classes in my State, and I believe I know how the people in the South think and feel on the question of stopping the coinage of silver. I can not be shaken in my belief, except by an actual test, that at least three-fourths of the voting population of Alabama and the other States of the South (not bankers or bondholders or capitalists) would to-morrow vote against the suspension of the coinage of silver. On what do I base my belief? Every State, county, city, and town in the South are in debt more or less. They are all poor and the people are in the same condition. At least three-fourths of the population of the South are farmers and agricultural laborers.

Our mining and manufacturing industries are in their infancy, and our resources and means and advantages for manufacturing are equal to any in the world. The indebtedness of the South was contracted on a silver basis, and we repel the charge as being utterly unjustifiable that it would be dishonest to pay in silver. The people of the South know that if there is to be no more silver coinage and gold alone is to be the only legal tender in payment of their indebtedness their burden will be increased at least one-half, and the farmer and manufacturer know if they are to have no more currency in circulation than the banks are willing to furnish the prices received for commodities will be reduced to the point of bare subsistence.

There is but one fact the enemies of silver parade conspicuously to the front, and, like Day & Martin's blacking, it is always on hand, and that is, that the 412½ grains of silver that the Government makes a legal tender for a dollar is worth only 80 cents; that as American coin in American markets it is made a compulsory dollar, and in the London market (England) the same amount of silver is really worth only 80 cents or less. Banks and bankers, their directors and stockholders, and their subsidized press and other representatives, all able and experienced financiers (?), are greatly distressed that the poor farmer has to sell the fruits of his toil for 100 cents in a dollar's worth, and is compelled to accept only 80 cents in payment, and that the brown-fisted laborer and weeping widow and needy orphan have to take for their hard earnings and small incomes 80 cents when their employers and debtors honestly owe them 100 cents.

I undertake to say that the poor farmers and laborers and widows and orphans never had any idea how they were being robbed or how much they had been wronged by the use of this vile thing called silver until they read a description of their sufferings by their guardians in the official reports and the New York and Boston newspapers or other newspapers established, edited, and supported by the officials and stockholders in national banks or by capitalists interested in destroying silver as a part of our coin currency. I have no doubt there are many exceptions of newspapers and their owners and editors who are free from the influence or control of national banks or capitalists, and who entertain the disinterested opinion that silver should be demonetized or its coinage suspended, but I venture the statement that a large majority of the monometallic newspapers in the United States and a large majority of the delegates who attend conventions to discuss and act upon the silver question are personally interested in the demonetization of silver; but because this class is thus interested it is no reason why they are dishonest, and no reason why they should not be heard, and their opinions and statements respected and allowed to receive fair and full consideration.

But while this is true it is also true that there is a rule, so old and universally accepted without dissent that it has become a part of the common law, that no man, however pure and upright, can entirely free himself from the influence and bias of self-interest, and its existence disqualifies the judge, the juror, and the witness; and when the witness is allowed to testify interest in the result goes to his credibility. While I read what national-bank officials and their representatives and friends say why silver should be demonetized it is received and weighed by me with many grains of allowance as coming from the standpoint of self-interest and the bias formed imperceptibly by association and opinions coined in the mint of the clearing-house. The opinions of manufacturers expressed by themselves or in convention or in their newspapers are received and governed by the same rules when the question is to be decided whether there shall be a revision and amendment of existing tariff laws; and I apprehend that the Secretary will decline "to accept as final the judgment of this great business class on the risk" of allowing existing tariff laws to stand without revision. The same rule applies to those interested in silver mines and silver coinage.

The President and Secretary admit that the fate of silver, beyond its use by our own people as pocket change to the extent of its present amount in this country, depends entirely upon the action of foreign governments. The Secretary says "Bimetallism is essentially an international affair;" that "international bimetallism does not exist since it was upset by Germany; and the international agreement, twice attempted, has failed."

Then the sole question for Congress to decide is: Are we to have no more silver than the present supply (say $215,000,000); and is that amount to be accepted as the limit of the silver coin to be employed by our own people in their trade and commerce among themselves? And shall we now decide that it is now settled that no more of our silver coin will be exported for use abroad? Are we ready to decide these questions on speculative theories and solemn predictions of what may or will happen, against authoritative and indisputable facts found in Treasury records, and against what we know is true, and in favor of what we know to be false?

Are we to accept the mere dictum of the President in his message that the coinage of silver has already gone "beyond the amount needed for a circulating medium?" Where are the facts to support that assertion? The President himself states them, and what are they? He says:

> The necessity for such an addition to the silver currency of the nation as is compelled by the silver-coinage act is negatived by the fact that up to the present time only about fifty millions of the silver dollars so coined have actually found their way into circulation, leaving more than one hundred and sixty-five millions in possession of the Government. Against this amount there are outstanding silver certificates amounting to about $93,000,000.

Was ever a conclusion more unsatisfactory? After stating that only about $50,000,000 had found their way into actual circulation among the people, the admission follows that $93,000,000 more had found their way among the people, who had deposited them where they had the legal right and obtained silver certificates for their convenience. Do these facts discredit silver with the people and prove that no more is wanted or needed by them in our circulation? What other reason for his opinion that the people do not want silver even to the extent of its present amount is given by the President? He says:

> A special effort has been made by the Secretary of the Treasury to increase the amount of our silver coin in circulation; but the fact that a large share of the limited amount thus put out has been returned to the public Treasury in payment of duties leads to the belief that the people do not now desire to keep it in hand; and this, with the evident disposition to hoard gold, gives rise to the suspicion that there already exists a lack of confidence among the people touching our financial processes.

Again I inquire what has become of Gresham's law. Poor silver! What can be done to get a little fair play from its enemies? When its friends pass a compulsory law that it shall be received in payment of duties, as soon as it is done the fact is paraded to show that the people are enemies of the money the law gave them the right to pay for duties.

But who paid these duties in silver, and where were they paid? More than three-fifths of these duties on imports were paid in New York, and a large part in Boston and Philadelphia. Who made these payments? Were any payments made by importers through national banks and the clearing-house? Did the "great business classes who carry on exchanges" have anything to do with making these payments? If so, the explanation is easy where and how the President got the information and used it as a fact supposed to be prejudicial to silver.

But the President and Secretary and all the subordinates in the Treasury unite in the statement that "if silver coinage is continued long enough it will result in the substitution of silver for all the gold the Government owns applicable to its general purposes." How does the President say this result is to be produced? He answers:

Every month two millions of gold in the public Treasury are paid out for two millions or more of silver dollars, to be added to the idle mass already accumulated.

What public law, duty, policy, or obligation requires that silver bullion shall be paid for in gold? Have bullion owners refused to accept silver? Has silver been offered in payment? Has the Secretary allowed the owners of silver bullion to refuse silver dollars when silver dollars are a legal tender in payment? Is it not singular that silver bullion owners would thus discredit the coin from their own mines? If the owners of silver bullion refuse silver dollars and demand gold, then amend the law with a proviso that the Secretary shall not make the monthly purchase unless silver dollars are received when offered in payment. But I apprehend the payment made in gold for silver bullion has been the voluntary act of the Secretary. If so, then the ruinous drain of gold from the Treasury in payment for silver bullion can be easily avoided.

Again, the President says—

We have now on hand all the silver dollars necessary to supply the present needs of the people, and to satisfy those who from sentiment wish to see them in circulation.

It is the sentiment of a large majority of the American people that the interest accruing on Federal bonds and the principal of called bonds should be paid in silver dollars, as authorized by express law and the contract recited in the face of the bonds themselves. Why is "the idle mass of silver dollars already accumulated in the Treasury" permitted to remain there by the voluntary act of the Secretary of the Treasury in failing to offer or tender payment in silver dollars in accordance with the positive law of the contract by which the debt was created and on which the bonds were issued? The following is the law and the contract:

This bond is issued in accordance with the provisions of an act of Congress entitled "An act to authorize the refunding of the national debt, approved July 14, 1870, amended by an act approved January 20, 1871," and is redeemable at the pleasure of the United States after the 1st day of May, 1881, in coin of the standard value of the United States on said July 14, 1870, with interest in such coin from the day of the date hereof at the rate of 5 per cent. per annum, payable quarterly, &c. The principal and interest are exempt from the payment of all taxes and duties of the United States as well as from taxation in any form by any State or municipality.

In the teeth of this solemn act of Congress, passed by a two-thirds vote of the representatives of the people, who have repeatedly indorsed such law by their re-election, and the election of others who have permitted it to remain unrepealed and unamended to this day, the Comptroller of the Treasury has the temerity to use the following language in his report, page 15:

The credit and standing of the country is deservedly high, and it is not believed that the people desire either that the principal or interest on the bonded debt of this country be paid in anything but gold coin or its equivalent. This matter was discussed at the time the bonds were issued, &c., and the conviction is general that the faith and credit of this Government is pledged for the payment of its securities in gold coin or its equivalent.

The law and the contract which govern in every forum in Christendom the obligation of the Government and the rights of the bondholders expressly declare that the gold and silver coin now lying idle in the public Treasury are equivalents in value and a legal tender in payment of the principal and interest of the bonds through all coming time and under all circumstances and conditions. And yet the Comptroller declares that "if we continue to add these silver dollars to our circulating medium, and they continue to accumulate in the Treasury, the Government must of necessity pay some portion of its obligations in that coin; and if the Government should pay its interest and other obligations and redeem its bonds in standard dollars the business of the country would immediately go to a silver basis." The President follows in the same strain. He says:

The condition in which our Treasury may be placed by a persistence in our present course is a matter of concern to every patriotic citizen who does not desire his Government to pay in silver such of its obligations as should be paid in gold. Nor should our condition be such as to oblige us, in a prudent management of our affairs, to discontinue the calling in and payment of interest-bearing obligations which we have the right now to discharge, and thus avoid the payment of further interest thereon. The so-called debtor class, for whose benefit the continued compulsory coinage of silver is insisted upon, are not dishonest because they are in debt, and they should not be suspected of a desire to jeopardize the financial safety of the country in order that they may cancel their present debts by paying the same in depreciated dollars.

The foregoing is a burlesque upon Congressional enactments, which define the obligations of the Government as recited in its bonds, and especially is it promising of the faithful execution by the executive officers of the Treasury of the law contained in section 3694 of the Revised Statutes, requiring that—

The coin paid for duties on imported goods shall be set apart as a special fund, and shall be applied as follows: First, to the payment, in coin, of the interest on the bonds and notes of the United States; second, to the purchase or payment of 1 per cent. of the entire debt of the United States, to be made within each fiscal year, which is to be set apart as a sinking fund, and the interest of which shall in like manner be applied to the purchase or payment of the public debt, as the Secretary of the Treasury shall from time to time direct; third, the residue to be paid into the Treasury.

Why have the foregoing laws of Congress now on the statute-books been persistently treated as a dead letter every hour of their existence by every President and Treasury official? Can any other reason be assigned than that the wisdom of these laws has been condemned by the "accordant judgment of the great business classes who carry on the exchanges of the country, and whose judgment must be accepted as a final estimate of the risk of obeying the laws of Congress?" Shall Congress abdicate and surrender the financial government of the country to this new tribunal, self-constituted, with no responsibility to the people, and from whose decisions there is to be no appeal? Nor is this all of the disobedience of law and absolute subjection to the demands and decrees of this new tribunal.

On the 21st of June, 1882, the Senate had under consideration "the bill to enable national banking associations to extend their corporate existence." Mark the object of the bill. The charters of national banks were about to expire, and the purpose of the bill was to enable them to renew and continue their lives. The national banks obtained from Congress the right to extend their lifetime by renewing their charters on the terms of the law which is now and has been in operation since 1882.

I quote from the CONGRESSIONAL RECORD of the Forty-seventh Congress, first session, volume 13, part 5, page 5171:

Mr. PUGH. Before the question is put, I should like to submit to the Senator from Texas [Mr. COKE] an amendment which it seems to me will meet all the difficulties, and present squarely to the Senate the question that I am satisfied he aims to present. I think he will accept it. After the word "and," in the twelfth line, I propose to insert, "no national banking association shall become a member of a clearing-house in which such certificate shall not be receivable in the settlement of clearing-house balances," meaning silver certificates. In explanation of this amendment, I stated to the Senate that "that prohibition will operate alone upon the fiscal agents of the Government, and will not interfere with any right of individuals or other banking associations who are members of a clearing-house. It obviates the constitutional difficulty suggested by the Senator from Iowa and the Senator from Ohio."

The clearing-houses are the most powerful agencies in the country to discredit the silver certificates on account of their refusal to receive them in the settlement of balances. We do not seek by the amendment I propose to interfere with the rights of any other members of the clearing-houses, except the members over whom we clearly have absolute control, and they are the national banks. We ought not to permit our fiscal agents to go into any association that employs its power for the purpose of discrediting the silver certificates, for the reasons which have been so strongly stated by the Senator from Texas. Why is it that we will permit the national banks to become parties to an association which is employing its power for the purpose of affecting the credit and circulation of the very certificates we authorize to be issued and require everybody else to receive? I say our power over the national banks ought to be exercised to prevent them from joining an association that will use its power for the purposes I have stated. We are aiming to put silver certificates upon the same footing with gold certificates. These clearing-house associations are using their power for the purpose of defeating the very object we aim at by this legislation. Is it not our plain duty to interfere and prevent the most powerful parties in such association, the national banks, from becoming parties to that agency which is defeating the object we aim at in our endeavor to carry out the will of the people? To defeat the amendment is to give aid and comfort to the national banks and the parties who associate with them for the purpose of discrediting silver and silver certificates.

The following is the vote on the passage of my amendment:

YEAS—29.

Beck,	Davis of Ill.,	Ingalls,	Van Wyck,
Brown,	Davis of West Va.,	Jonas,	Vest,
Butler,	Farley,	Maxey,	Voorhees,
Call,	George,	Morgan,	Walker,
Cameron of Pa.,	Gorman,	Pendleton,	Williams.
Chilcott,	Grover,	Pugh,	
Cockrell,	Hampton,	Ransom,	
Coke,	Hill of Col.,	Vance,	

NAYS—20.

Aldrich,	Ferry,	Hoar,	Rollins,
Allison,	Frye,	Lapham,	Sawyer,
Anthony,	Hale,	McMillan,	Sewell,
Bayard,	Harrison,	Mahone,	Sherman,
Conger,	Hawley,	Morrill,	Windom.

Since my amendment became a part of the act of 1882 the national banks that extended their existence under it have continued their membership of the New York clearing-house, and have deliberately and defiantly refused to carry out the provisions of the amendment by an agreed evasion of the law, amounting to its nullification. The plan agreed upon was that no member of the clearing-house would ever offer silver certificates in payment of any balances, and none being offered, of course none would be refused; and, what is most remarkable, the assistant treasurer of the United States in New York, who was a member of the clearing-house, was a party to the agreement and co-operated with the national banks in the practice of repudiation and nullification. The New York Times, a paper of great ability and influence on financial questions, is outspoken in its confession and justification of the

policy of evasion and nullification of Congressional law by national banks. In a recent editorial it says, under the caption of "The Banks and Silver:"

Meantime it has been suggested by a banker of very high standing that the banks are bound by every consideration of obligation to the community and of prudence in the care of the interests of their depositors to preserve the general currency on a gold basis, and to continue to treat, as they have hitherto treated, the silver currency "as an unavoidable infliction, to be separated in practical business from current money by marked discrimination." The method of carrying out this principle is to receive from the Government through the clearing-house the currency the Government may have to offer, but setting it apart and treating it as a special fund, "to be paid over to the banks interested in the very money received on their behalf." No silver or silver certificates need be offered by any bank in the settlement of its clearing-house balances, and none would need to be refused. Such as came from the Government would be received and used as opportunity offered. But the clearing-house settlements and the reserves of the banks would be preserved unadulterated, and the international standard would be maintained in its integrity. Silver would not be any more than it has been in New York bankable money, while it would continue in general circulation undepreciated until such time as its volume became too great for such use.

Such a policy is clearly within the law, and it is equally clearly calculated to secure the only solution of the currency problem, and to secure it with the least derangement to business. It will be objected that it is not calculated to promote the permanent incorporation of silver in our currency, and is opposed to the spirit and intent of the silver-coinage act. This is true. It is not intended to promote any such result, and it would lead to the ultimate repeal of the act. Of that there is no doubt. The act was at once a blunder and a wrong. There is not the slightest obligation upon any citizen or body of citizens to suffer injury from the operation of the law if it can be legally avoided. It certainly can be avoided by the banks. The law says silver dollars shall be a legal tender for debts; it does not say that they shall be a legal tender for loans on demand, such as bank deposits. The policy outlined for the banks looks to the repeal of the law, and that is the purpose of the Administration and the hope of all conservative business men.

What other powerful motive of self-interest do we find for this life-long, persistent, and unfair warfare upon silver by national banks as a part of our standard currency?

Silver is the only money that circulates among the people that is beyond the control of national banks. Silver is the only lion in the track of the absolute dominion of the national banks over the volume of currency that circulates among the people. We have $346,000,000 of greenbacks that can not be diminished or increased under existing law. Stop the coinage of silver, and nothing in the future is more certain than that it is a mere question of time when the national banks will become not only the money-kings, but the absolute "monarchs of all they survey." In the language of General Hamilton, "the general state of debtor and creditor, all the relations and consequences of price, the essential interests of trade and industry, the value of all property, the whole income, both of the state and of individuals" will become subject "to the judicious or injudicious regulation" of the currency by national banks.

If silver is demonetized how can there be any increase in the amount of our coin or paper money except at the will and dictation of national banks? Is Congress prepared to delegate this stupendous power over the price of labor, property, and productions in this country to these private corporations? Everybody agrees that the price of everything depends largely upon the quantity of money in circulation. Does silver add to our volume of currency? Would the amount of money in circulation be diminished if silver were dropped out of our currency? The opinion of James G. Blaine ought to have some weight with a large class of people, and in the Forty-fifth Congress he delivered a prepared speech, which will be found in the seventh volume, page 821, of the CONGRESSIONAL RECORD:

On the much-vexed and long-mooted question of a bimetallic or monometallic standard my own views are sufficiently indicated in the remarks I have made. I believe the struggle now going on in this country and in other countries for a single gold standard would, if successful, produce widespread disaster in the end throughout the commercial world. The destruction of silver as money and establishing gold as the sole unit of value must have a ruinous effect on all forms of property, except those investments which yield a fixed return in money. These would be enormously enhanced in value, and would gain a disproportionate and unfair advantage over every other species of property. If, as the most reliable statistics affirm, there are nearly seven thousand millions of coin or bullion in the world, not very unequally divided between gold and silver, it is impossible to strike silver out of existence as money without results which will prove distressing to millions and utterly disastrous to tens of thousands.

Alexander Hamilton, after admitting that the quality of fixedness could be more surely found in a single than in a double standard, used the following weighty language in his memorable report as Secretary of the Treasury in 1791:

To annul the use of either gold or silver 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 circulation with the evils of a scanty circulation. On the whole it seems most advisable not to attach the unit to either of the metals, because this can not be done effectually without destroying the office and character of one of them as money and reducing it to the situation of mere merchandise, and this would probably be a greater evil than occasional variations in the unit from the fluctuations in the relative value of the metals, especially if care be taken to regulate the proportion between them with an eye to their average commercial value.

Again Mr. Blaine speaks:

I do not think that this country, holding so vast a proportion of the world's supply of silver in its mountains and its mines, can afford to reduce the metal to the "situation of mere merchandise." If silver ceases to be used in Europe and America the great mines of the Pacific Slope will be closed and dead. Mining enterprises of the gigantic scale existing in this country can not be carried on to provide backs for looking-glasses and to manufacture cream-pitchers and sugar-bowls. A vast source of wealth to this entire country is destroyed the moment silver is permanently disused as money.

I quote from the speech of the distinguished Senator INGALLS on the Bland bill:

Were the proposition to discontinue the coinage of the silver dollar and deprive it of its legal-tender power submitted now for the first time to the people of the United States it would be rejected overwhelmingly. No enduring fabric of national prosperity can be builded on gold. Gold is the money of monarchs; kings covet it; the exchanges of nations are effected by it. Its tendency is to accumulate in vast masses in the commercial centers, and to move from kingdom to kingdom in such volumes as to unsettle values and disturb the finances of the world. It is the instrument of gamblers and speculators, and the idol of the miser and the thief. Being the object of so much adoration, it becomes haughty and sensitive and shrinks at the approach of danger, and whenever it is most needed it always disappears. At the slightest alarm it begins to look for a refuge. It flies from the nation at war to the nation at peace. War makes it a fugitive. No people in a great emergency ever found a faithful ally in gold. It is the most cowardly and treacherous of all metals. It makes no treaty that it does not break. It has no friend whom it does not sooner or later betray. But silver is the money of the people. It is the money of wages and retail. Its tendency is toward diffusion and dissemination. It enters into the minute concerns of traffic, and is exchanged day by day for daily bread. It penetrates the remotest channels of commerce, and its abundance, bulk, and small subdivision prevent its deportation in sufficient amounts to disturb or unsettle values.

I next quote from the speech of Senator Wallace, of Pennsylvania, to be found in the RECORD of the Forty-fifth Congress, page 637:

Now, for the first time in the history of this country we are urged by a powerful interest to adopt the single standard, to recognize gold as the sole measure of value of the property of the country, and to place and keep silver in a subsidary position. Otherwise stated, it is to add to the value of gold by debasing and disusing silver. Our measure of value has always been gold and silver. This policy had its foundation deep in the wise forethought of the men who made this Government for the people. Silver then, as now, was the money of the people. To destroy the use of silver as money was to lessen the quantity of the circulating medium and provide a scanty instead of a full supply of money. Against this sending of silver to a subsidiary position our whole history rises up in protest.

I will next read from the able and exhaustive report of Mr. R. M. T. Hunter, of Virginia, as chairman of the Finance Committee of the Senate in 1853:

But the mischief would be great indeed if all the world were to adopt but one of the precious metals as the standard of value. To adopt gold alone would diminish the specie currency more than one-half; and the reduction the other way, should silver be taken as the only standard, would be large enough to prove highly disastrous to the human race. Indeed, a reference to the history of the precious metals and the general course of human production can scarcely fail to convince us that there has been a constant tendency to appreciate their value as compared with the residue of the property of the world, and that every extraordinary increase of the supply of the precious metals of which we have any account has exercised a highly beneficial effect upon human affairs.

When contracts are made by a standard which is gradually contracting, the advantages are on the side of capital as against labor, and productive energy is cramped by receiving less than a fair share of the profits of its enterprise. Before the invention of substitutes for payments in coin, and before the increased supply of specie from the discovery of America, human history is full of the strifes between debtor and creditor, and human legislation is rife with experiments to limit the encroachment and engrossing power of capital. So much is the value of currency affected by the facility with which it may be counted and its convenience of transportation, that there will always be difficulty in supplying the place of small notes with anything but silver or that of large notes with anything but gold. We require, then, for this reason, the double standard of gold and silver; but above all do we require both to counteract the tendency of the specie standard to contract under the vast increase of the value of the property of the world. And what harm can arise from any probable increase of the precious metals, if both are allowed to swell the volume of currency? On the contrary, a more beneficial event for the trade, the industry, the moral and political condition of the world could scarcely be imagined.

Of all the great effects produced upon human society by the discovery of America there were probably none so marked as those brought about by the great influx of the precious metals from the New World to the Old. European industry had been declining under the decreasing stock of the precious metals and an appreciating standard of value; human ingenuity grew dull under the paralyzing influences of declining profits, and capital absorbed nearly all that should have been divided between it and labor. But an increase of the precious metals in such quantities as to check this tendency operated as a new motive power to the machinery of commerce.

Never were heard sounder or wiser utterances upon the intricate subject of the currency. It will always be an indisputable truth that "when contracts are made by a standard which is gradually contracting, the advantages are on the side of capital as against labor, and productive energy is cramped by receiving less than a fair share of the profits of its enterprise." It is equally well established that "both metals are required to counteract the tendency of the specie standard to contract under the vast increase of the property of the world." This truth has been and is now being fully verified in European and American history. England and Germany are now struggling to retain their gold supply, and the prices of labor, property, and productions in both countries are now on the downward grade on account of the unavoidable tendency of their gold standard to contract under the pressure of the vast increase of labor, property, and productions, and we are now feeling the effects of this contraction in the diminution of our exports. The Right Hon. George I. Goschen, M. P., an eminent English financier, in an address delivered before the Bankers' Institute, in April, 1883, said:

To me it appears that we have a striking phenomenon before us. On the one hand, I do not think any of you will be ignorant of the fact of the withdrawal of an immense amount of gold which under ordinary circumstances would have passed into the currency of gold-using countries. If you take the amount of gold currency which has been absorbed in the last ten years by Germany, Italy, and the United States you will arrive at the stupendous sum of about $1,000,000,000. Germany required $420,000,000, Italy $80,000,000, and the United States have taken more than $500,000,000.

Mark the weighty fact that this amount of gold taken by the United

States was during the ten years from 1873 to 1883. Five years of this time the coinage of silver was dropped, and five years the coinage of silver was renewed, and for the five years the silver mint was turning out $24,000,000 per annum, our gold supply was on the increase, and no gold-standard country in the world has kept pace with the double-standard United States in the increase of its gold supply.

Now—

Continues Mr. Goschen—

We have this phenomenon before us—that $1,000,000,000 of gold has been applied to purposes for which ten or fourteen years ago it was not necessary to apply it.

I next have to ask from what annual supply of gold this extraordinary demand for gold had to be met? Now, many of you may be aware that there has been a falling off in the annual supply of gold, and that while in 1852—the first year after the gold discoveries—the amount of gold produced was $180,000,000 it is now about $100,000,000 per annum. The annual average therefore fell in the years from 1871 to 1875 to $96,000,000 as compared with very nearly $150,000,000 in the years from 1852 to 1856. Thus you will observe that we have had an extraordinary and additional demand of $1,000,000,000 coming upon an annual supply of $100,000,000.

The consequence is that this extraordinary demand has practically absorbed the total supply of gold for the last ten years. But it is not sufficient to state that the total supply of gold available for the needs of circulation in the gold-using countries of Europe has been absorbed. This additional and extraordinary demand falls upon a supply of $100,000,000, which has to furnish the wear and tear of the coinage and the total amount used for the purposes of art and manufacture, besides the purposes of circulation. Now, there are various estimates of the amount of gold used in arts and manufactures. A very eminent French authority accepts an estimate of $50,000,000 as the amount annually consumed for such purposes.

In the report of the Director of our Mint for 1883 on the consumption of the precious metals in the United States, it appears, on page 15, that "gold to the value of $14,223,448 was consumed." And the Director remarks that—

These figures indicate a much larger appropriation of the precious metals for purposes of manufacture and ornamentation than any estimate I have previously made, and are especially significant and valuable in ascertaining the metallic circulation, as they show a large and apparently increasing consumption of the gold coins of the country in such industries.

I continue the quotation from the address of Mr. Goschen that—

If we take the $50,000,000 as the amount required for arts and manufactures and for all purposes other than circulation, and subtract that sum from the $100,000,000 of annual supply, it leaves for the purposes of circulation $50,000,000 only, and on this hypothesis the extraordinary demand of $1,000,000,000 would absorb the available yield. Economists will accordingly ask themselves what result, if any, is such a phenomenon likely to have produced. I think there is scarcely an economist but would answer at once: "It is probable, it is almost necessary, it is according to the laws and the principles of currency, that such a phenomenon must be followed by a fall in the prices of commodities generally." Let us now turn to the other side of the question and examine the range of the prices of commodities, and see whether or not it is a fact that there has been a great fall.

For the figures I am about to place before you I am indebted to Mr. Giffin, of the board of trade. I have examined the prices of commodities as published by the board of trade, but I have also consulted other sources. I have here a classification of articles under certain heads showing prices in the years 1873 and 1883 respectively. [Here he gives the table.] I am bound to say it appears to me that these figures reveal an extraordinary state of things. * * * It appears to me that if it be true that population continually increases, and that there is a certain increase in wealth, an additional amount of circulation will be necessary in order to meet the increased demand unless there are compensating counter economies by the extension of the check system and other methods. On the one hand you undoubtedly have increased population. You also have an increase of wealth. Then again, you require more gold for more transactions. Gold has two or three functions to perform in circulation. It has to supply what I may call pocket-money, and it has to liquidate large transactions between nations and nations, and what is almost an analagous function, it has to remain in the vaults of bankers on deposit against the notes that are issued against it; still it is more simple to treat these two latter functions as one. Such being the two functions of gold, if the population increases the necessary pocket-money must increase, and if the transactions increase, somewhat more is required for liquidating the balances.

Let us now consider whether the economies in the use of gold (checks and clearings) have been as great as the increase in the population and as the increase in the amount of gold required to liquidate the balance of transactions. Mr. Giffin, in an article printed in the Journal of the Statistical Society for March, 1879, expresses the opinion that the United Kingdom was thoroughly "well banked" even twenty years ago, and that there have been no new devices invented during the last twenty years which have much economized the use of gold in the United Kingdom. We have already reduced the use of gold in this country almost to a minimum, and I am confirmed in this view by the statement that the total circulation of gold in England increased, according to the estimate of the authorities of the Bank of England, from $515,000,000 to $620,000,000 between 1870 and 1880. This would mean, and it is a most significant fact, that in this country, which is so "well banked," $100,000,000 more circulation was nevertheless required in 1880 than in 1870.

As regards England, then, I do not see that there has been any economy in the use of gold to counterbalance the increasing demand of the population, nor are we aware—those of us who have been able to look into the matter—that in France or Germany, or elsewhere, the economies have been such as to counterbalance the increasing demand for gold. I am now brought to the point that if there is any truth in the theory that the amount of circulation stands in a certain relation to the question of price, then this strain upon the gold circulation must have produced an effect upon prices. We have to deal with the fact, let us look at it how we will, the sovereign goes further than it used to go. Happy, then, it is for those who have the sovereigns; on the other hand, unhappy it is for those who have commodities left on hand and produce which they have not sold.

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Let us now assume that there will be a continuance of low prices; that is to say, a continuance of the increased value of gold. Two classes would be permanently affected. One is the class which is entitled to receive gold. They will be much better off. The class of debtors, on the other hand, who are bound to pay a given amount of gold for a long period to come, will be much worse off. In the same way, as the rise in prices is generally to the advantage of the debtor, so a fall in prices will be to his disadvantage. The holders of mortgages would be in a distinctly favorable position. While the mortgages would run, they will continue at a sum that will be on the constant increase in its purchasing power. Those who have borrowed the sum will be in a worse position by having their means of payment constantly diminishing in price. The influence of this circumstance on land owners will not be overlooked. Land owners who have borrowed on their estates will be under contract to pay a sum which represents more value than when the loan was made, while the produce of the land, if it should fall in price like other commodities, would not secure the same amount of gold. It is impossible to see how farmers should be able to continue to pay the same amount of gold for rent if the prices of what they raise from the soil should permanently fall.

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A distinguished French economist has said that he was not sure whether France would not have been bankrupt in 1848 but for that great increase in the production of gold, which created a degree of commercial prosperity which enabled the French to escape from their difficulties. I have heard another distinguished man suggest that the great difficulties of the old Roman Empire with regard to laws that had to be passed for the relief of debtors was due to the fact that they never had an expansive currency, but that the supply of the precious metals was stationary, at least if compared with the increasing transactions and the increasing population, and that it did not enable the Roman men of business to conduct their operations with that continuously small increase in the supply of the precious metals which was required to meet the increased demands of population and increasing wealth.

Mr. President, this is not the twaddle of a Western or Southern demagogue, or the incoherent nonsense of some "idiot" or "lunatic" who ought to have a room in an asylum, but they are the grave and well-considered views of an English statesman and experienced financier and monometallist, who speaks to his fellow-economists on a great financial phenomenon that now overshadows monometallic England and Germany.

But the London press, speaking for the Bank of England and the Bank of Germany and the Bank of France and their clearing-houses, and the English minister in Washington can safely join with their allies in Wall street and the money kings of the East in demanding of Congress the unconditional abandonment of the coinage of silver and planting gold as the world's standard of value. These crusaders against silver come and tell us "our returns show how small an amount of money enters into our transactions, and how much its use has been superseded by our machinery of banking, with its modern system of checks, bills of exchange, and clearing-houses. The coinage of silver has increased the currency of the country to the extent of $215,000,000, without any necessity or demand for it whatever. Silver certificates are an inexpedient addition to the paper currency. They are made a legal tender, and yet have for their basis only about 80 cents in the dollar. There need be no apprehension of a too limited paper circulation. The national banks are ready to issue their notes in such quantity as they think the laws of trade demand. The embarrassments which are certain to follow the endeavor to maintain several standards of value out of high gold and low silver, and high gold certificates and low silver certificates, are too obvious to need discussion. And then the greenbacks are in our way and fill a place in our circulation that we could supply, and they ought to be redeemed and retired. Let silver and silver certificates go, have no more gold certificates, and sweep away the greenbacks, and the Congress that secures these results will have a monument erected to its wisdom and statesmanship." Then the gold image will rise in full view of an admiring world. Then, indeed, we shall have but one god to worship. What a millennium! Gold the only god and the national banks the only king! One standard, of no use but to worship, and one currency, all paper, issued alone by the king and in such quantities as he may decree.

But a more dangerous class of the common enemies of silver come and propose a compromise. They say, "We, too, are the friends of silver. We agree with you that striking silver out of our currency and confining us to gold as the only unit of value would produce the most serious consequences. But a crisis is upon us in the fate of silver, and as its friends, we must be considerate and make reasonable concessions. Most of the European nations have a deep interest in the proper adjustment of the ratio between gold and silver coinage. We furnish the world with the largest portion of both gold and silver, and our exports command the best money in the world, as they ever should do and will, unless we bind ourselves to accept a poorer. The silver question demands our immediate attention. A continuance of the monthly addition to our silver coinage will soon leave us no choice but that of an exclusive silver standard, and reduce us to a place in the commercial world among the minor and less civilized nations. We can not consent to be placed in the very awkward position of paying for all that we buy abroad upon a gold standard and selling all that we have to sell on a silver standard. Now we are assured that the most potential means of bringing about any concert of action among different nations would be for the United States to suspend, for the present, the further coinage of silver dollars. This is the decided opinion, in both France and America, of the highest authorities on bimetallism, and of those who wish to bring silver into general use and raise its value."

Mr. President, this is a very seductive picture. It looks so fair. It comes with the face of good old common honesty. Can it be a Trojan horse? I do not like some of the company this suspension project is keeping. It comes from the life-long enemies of silver. It looks to me that if we stop the coinage of silver it will be an important point gained

by its enemies, and the necessary and inevitable effect will be to reduce its price far below what it is now selling for in the bullion market, and otherwise discredit it as currency. To expect me to believe by any theoretical reasoning in the face of indisputable facts that the amount of silver bullion consumed or taken for use in the world has nothing to do with its price, is a poor compliment to my common sense. In one breath we are told that silver is selling 20 per cent. under gold on account of the quantity that is being produced; that the quantity is greater than the demand. In the next breath we are told that the surest way to raise the price of silver in the bullion market and make it stronger in public confidence is to suspend the annual consumption of twenty-four millions for coinage, and thus put it under the world's interdict as currency.

Such reasoning excites my suspicion. I know the reasoning is utterly false, and the soundness of a proposition founded on it can never have my confidence and sanction. There is no plainer truth to my mind than that silver has not been fairly treated by the Government, or by the fiscal agents of the Government, or by those whose paramount interest it is to destroy it as currency, and it is those enemies who favor the proposition to suspend coinage. With the powerful agencies and motives that have been actively at work by all sorts of methods here and in Europe to put down silver and put up gold, it is surprising that silver has been able to meet the odds against it and stand as well as it has the shock of the battle. Mr. President, silver is invincible because it has the confidence of the people. If its enemies will turn it loose among its friends there will be no depreciation, no degradation. Let gold stay where it has always been, and where it will always be found and nursed and kept free from hard usage, in the vaults of the national banks and the money chests of the rich, but give the people—the friends of silver—a showing at it and it will have a hearty welcome and find a warm place in their pockets.

When silver has the same treatment as gold from the Government and from banks and bankers and clearing-houses, and a fair trial with gold on the natural laws of supply and demand, and the same chance with gold to get into circulation, and the same recognition as gold under the existing laws of Congress, then if silver fails the failure will be unavoidable and irremediable. When that trial is thus made and the results verify the predictions of its enemies, I will meet the emergency as best I can with the lights then before me. Until that time comes I shall "let well enough alone" on the double coinage of gold and silver. I have no fear of a loss of our gold so long as the balance of trade is in our favor, and the danger of our imports exceeding our exports is a contingency not likely to happen. Such a result is too improbable to require the perilous experiment of the suspension of silver coinage to remedy. And if we were to suspend silver coinage and the balance of trade were to turn against us how would that balance be paid? Should there be a balance how would our gold be any safer on a single than on a double standard?

I have no fear of a redundant coin currency. The addition of $24,000,000 per annum to our silver currency has caused no injurious effects in this country or in Europe. The Director of our Mint in his report in 1881 makes the following statement at page 276:

For instructive comparison, the circulation, paper and metallic, as far as ascertainable, is given in additional columns. They are worthy of special consideration at this time, and should tend to allay the prevalent fear of impending commercial disaster as a consequence of abundant and increasing monetary circulation, expanding with the growth of business and accompanied by enlarged production and substantial prosperity.

I will support any change in existing laws that will retire from circulation all paper currency under ten or even under twenty dollars, so as to give the entire field for the use of small bills, or small change, to silver and silver certificates. My friend, the Senator from Mississippi [Mr. GEORGE], introduced a bill to make this change the last Congress, and I am glad he has introduced the same bill the present session. I hope the Committee on Finance will give the bill early and favorable consideration. If that field is given up entirely to silver it will not be in conflict with gold or the greenback or national-bank notes in that dominion. Were the United States bonds, hereafter called for payment by the Secretary of the Treasury, paid to the national banks who hold them in silver dollars, and existing laws were amended so as to give the right to such banks to deposit the silver thus received in the Treasury and subtreasuries and to obtain coin certificates therefor in denominations of one, two, five, or ten dollars to circulate as money free from the 1 per cent. tax, it would present a very favorable opportunity for silver and the national banks to become better friends. The field that ought to be occupied entirely by silver and silver certificates would be a very attractive one to national banks, as they are now allowed to issue no bill under $5 and that taxed 1 per cent., and there are no silver certificates now authorized under $10.

But until silver has a fair trial and fair treatment in this country that nature has supplied so bountifully over all others with this metal, I will never agree to suspend its coinage an hour. If the friends of silver allow themselves to be captured by any compromise requiring a suspension of its coinage it will amount to giving up the threshold to its enemies and ultimately end in the loss of the fort.

Presidential Succession.

SPEECH

OF

HON. LEWIS BEACH,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, January 14, 1886,

On the bill (S. 471) to provide for the performance of the duties of President in case of the removal, death, resignation, or inability both of the President and Vice-President.

Mr. BEACH said:

Mr. SPEAKER: I must confess that I was greatly surprised at the remarks of my friend from Illinois in the closing hour of yesterday's session. I can not allow his statements to go unchallenged. His charge that the Democratic party through its representatives in this House was striving to rush this bill through "in hot haste" simply to perpetuate the power of that party in the executive branch of the Government is not warranted by the facts. Who is responsible for this bill? Who began the agitation of this question? Was it not a Republican Senator at the other end of this building? In which branch of Congress did the bill originate? Was it not in the Republican Senate? When was the subject of changing the existing law first mooted? Was it not at a time when the assassination of President Garfield devolved the duties of the Presidential office upon Vice-President Arthur? Why was it then for the first time in our history made the subject of deliberate action by the Republican Senate? Was it or was it not for the purpose of perpetuating a Republican succession?

It may be reasoned that the Republican Senate was not actuated by any partisan motives, because since the circumstances have changed with the accession of a Democratic President it has promptly passed the bill again. But, Mr. Speaker, the belief is gaining ground that the alacrity of the Senate was not without its party aims and purposes. It is thought by many that it is the intention of you gentlemen on that side of the House to defeat this bill and then go before the country crediting the Republican Senate with its passage and debiting the Democratic House with its defeat.

The bill may be defeated in this House. Such a thing is possible. There are grave doubts and serious misgivings in the minds of members on both sides of the House as to whether the bill under consideration is exactly what it ought to be.

I am free to say it does not come up to what I believe to be right and expedient. But I look at this whole question in a practical way. I recognize the necessity of doing something and doing it quickly. The present condition of affairs should not be permitted to continue for a single day longer. The public mind is disquieted and the peace of our President disturbed by the thought of the crisis his death would precipitate. We can not shut our eyes to the fact that assassination—a thing the fathers never dreamt of—has become possible in our Republic. It is our duty then, as wise legislators, not only to provide for the resulting effects of an assassination but to adopt all reasonable precautions to prevent its commission. This bill is in that direction, and that is one of the reasons why I support it.

Much has been said in the course of this debate upon the constitutional right of Congress to provide for a special election. I am of opinion that the Constitution did not contemplate a special election. Others may differ with me, as they have have a right to; but whether a special election was contemplated or not, I take the position that none should be held, and in that position I believe I would be sustained by nine-tenths of the people. The frequency of elections has grown to be an alarming evil. They disturb the business interests of the country and tax the industrial resources of the people. The class of voters whose presence at the polls is particularly desirable are alienated by too frequent demands upon their time at the sacrifice of their business interests. In addition, the enormous expenses of conducting elections, with the attendant turbulence and corruption, should warn us against holding them any oftener than may be actually necessary.

Another point has been made as to the meaning of the word "officer" in that clause of the Constitution which relates to a vacancy in the Presidential office. It is claimed, on the one hand, that the President *pro tempore* of the Senate and the Speaker of the House are not "officers" upon whom the Presidential office can devolve, and on the other hand it is claimed that they are, and upon this point a great deal of breath has been wasted. I do not regard it as material. I am willing to admit for argument's sake that the President *pro tempore* of the Senate and the Speaker of the House are "officers" within the meaning of the Constitution, and yet I hold that the Presidential office should not under any circumstances devolve upon them or either of them. The importance of maintaining the legislative and executive branches of the Government separate and distinct and keeping the one independent of

the other can not be overrated. It was this consideration that influenced Mr. Madison to prefer the line of succession adopted by this bill. And in my opinion such a succession would have been made in 1792 had it not been for the envy and jealousy which prevailed in Congress among the respective friends of Hamilton and Jefferson.

Mr. Speaker, it is almost universally conceded that Congress is confined by the Constitution to the designation of some "officer" to discharge the duties and functions of the Presidential office in case to a vacancy. If this be so, the simple question before us is, what "officer" shall we designate? Shall it be the Cabinet officers who are the trusted advisers of the President chosen by the people, or shall it be some one of the numerous United States district attorneys or marshals, or shall it be one of the judges of the Supreme Court, or shall it be the presiding officer of the Senate or this House? It resolves itself into a matter of taste, and taste, as we all know, differs.

Under the limitations imposed by the Congress, I favor at this time a Cabinet succession, and I do so for one very strong reason if for no other. We all of us, I hope, appreciate the great importance of passing some bill at the earliest moment possible. Most of us are familiar with the fate of bills which receive amendments in one House distasteful in the other. This bill has passed the Senate three times, I believe, after very careful consideration. The Senate has passed it without division. If we pass it, as I think we should to-day, it will become a law by to-morrow, and a great weight will be lifted from the minds of the people. If we do not pass it—if we amend it—it will go back to the Senate and the chances are it will fail to become a law.

Under these circumstances I think it our duty to pass the bill in its present shape, and leave to the future the formulation of some more acceptable plan for the regulation of the Presidential succession.

Presidential Succession.

SPEECH

OF

HON. ROBERT S. GREEN,

OF NEW JERSEY,

IN THE HOUSE OF REPRESENTATIVES,

Monday, January 18, 1886.

On the bill (S. 471) to provide for the performance of the duties of President in case of the removal, death, resignation, or inability of the President and Vice-President.

Mr. GREEN, of New Jersey, said:

Mr. SPEAKER: By the pending legislation Congress is seeking to discharge a duty expressly imposed upon it by the Constitution—that of providing by law for the case of a vacancy in the office of President and Vice-President, declaring what officer shall then act as President until the disability be removed or a President shall be elected. In discharging this duty, a law should be enacted, not by hasty legislation, but as the result of deliberate examination and thought, which shall be in harmony with the theory of our Government, and one as free from objections as to its possible operation as such deliberation and thought can secure.

The act of 1792 was passed to meet this constitutional requirement, but its provisions are now seriously challenged and weighty objections are urged against its provision which devolves the duties of President upon the President of the Senate or the Speaker of the House. Passed by a Congress largely composed of men who had also been members of the constitutional convention, at a time almost immediately succeeding the adoption of that instrument, it is plausibly argued that such law should be taken as presumably free from the objections urged. If it was the result of calm, unprejudiced judgment, arrrived at with an approach to unanimity, such argument would appeal to us with great force; but the history of that legislation shows that these provisions which are now objected to were, when the bill was pending, the subject of criticism, and that the act was finally passed by a small majority and not without grave doubts as to the constitutionality of that feature. Not only is this true, but contemporaneous correspondence, which will be found referred to in the debate on the pending measure, shows that personal antagonisms and jealousies entered into, if they did not control, the solution of the question.

Thomas Jefferson was Secretary of State, Alexander Hamilton was Secretary of the Treasury. The latter justly regarded the former as unfriendly to him. Aaron Burr was a Senator from the State of New York, a member of the committee of that body in charge of this measure, at that time friendly to Hamilton, and in a measure a rival of Jefferson.

Hamilton says in a letter that in the part he took he ran counter to Jefferson, but that if he had no other reason for it—

I had already experienced opposition from him which rendered it a measure of self-defense.

Mr. Madison says—

That the decision proceeded mainly, if not exclusively, from feelings of personal and political enmity to the gentleman who then filled the office of Secretary of State, and the jealousy entertained of him by the friends and partisans of the Secretary of the Treasury is rendered apparent by the surviving memorials of the time.

The result was reached after stubborn controversy, and by a vote so close that the absence or change of vote of a few members shifted the measure from the one to the other side.

The legislative history of the law is as follows:

A committee was appointed in the Senate on the opening of the Second Congress to report "a bill determining the time of choosing the electors of President and Vice-President, and the day in which they shall give their votes, and presenting the mode of transmitting the votes to the seat of Government." A bill covering these points was reported by Mr. Rutherford, of New Jersey and was afterward recommitted with instructions to report a clause making provision for the administration of the Government in case of vacancies in the office of President and Vice-President.

The bill of the committee, which was passed by the Senate, provided that the President of the Senate *pro tempore*, or, if there was none, the Speaker of the House, should, in such event, discharge the duties of President. We have no record of the debates in the Senate at that time, nor of the votes on the measure, but when the bill reached the House we find that the very objections now made to this feature were then urged. In Committee of the Whole House, the proposition to strike out the provision relating to the President of the Senate and Speaker of the House was lost, but in the House, when the committee rose and reported, an amendment to strike out the President of the Senate, was renewed and lost by a vote of yeas 24, nays 27, and one to strike out the Speaker of the House was carried by a vote of yeas 26, nays 25. Subsequently the amendment to strike out both the President of the Senate and Speaker of the House was carried by a vote of 32 to 22, and the Secretary of State substituted as the officer to discharge the duties of President. On the bill going back to the Senate, the last amendment made in the House was disagreed to, and the House finally receded by a vote of 31 to 24.

We see that the selection of the President of the Senate *pro tempore* or the Speaker was a measure upon which the members of that Congress were nearly evenly divided.

There was, however, a feature of the act of 1792 which did not meet with objection, and that was the provision which appealed to the people to fill the vacancy, making the service of the President of the Senate *pro tempore* and of the Speaker of the House provisional only. In the first Congress, on the discussion of a similar measure, it was said by William Smith, of South Carolina, that "he thought that, by the Constitution, a new election was not to take place till the term for which the President and Vice-President had been elected was expired." He was a member of the Second Congress, but neither he nor any one else seems in that Congress to have suggested such an opinion, and there is nothing in the reports to indicate that the periodicity of elections, of which we have heard so much of late, was considered as an element to be seriously regarded.

For the reasons stated and because of the objections which are now and were then urged, in my opinion the act of 1792 should, so far as it provides for the acting of the officers of the Senate and House, be superseded, and the pending bill, in so far as it devolves those duties on the officers named therein, meets my approval, but in so far as its provisions permit such officers to act as President, not provisionally until a new election or some other resort to the people can be taken, but for the unexpired term for which the President had been elected, it seems to me to be radically wrong, presenting difficulties of greater importance even than the defects of the act sought to be repealed.

Defects other than the one named, to which objection may be made, may be faults connected with the operation of the law, and might be corrected by amendment; but this feature is to my mind contrary to the theory of the Government and not within the spirit, if it is within the letter, of the Constitution.

By this provision we have Congress declaring that a person who happens to occupy a certain office shall, in case of a vacancy in the Presidency and Vice-Presidency, act as President for the unexpired term, it may be in a certain event the whole term of four years. This officer does not come from the people. He is appointed by the President with the advice and consent of the Senate; and while it is proper that he should be selected to act provisionally until a new President can, under the forms of law, be chosen, that service should end as soon as a President from the people can be put into office. The theory of our system is that we are a government of the people, that they have the selection of their rulers, that we are a democracy. Let us as legislators bring the officer as near the people as possible, securing to him the confidence, sympathy, and support of the whole country.

This act ignores this theory entirely. Under it, as it stands, in the event of the death of the President and Vice-President elect between the declaration by Congress of election and inauguration, the then Secretary of State, or other Cabinet officer, becomes President for four years, although it may be that the people have at the very election put their

seal of condemnation upon the administration with which they have been identified, and declared that there should be a change. It perpetuates a policy the people have rebuked. It is no answer to say that such contingency is not likely to happen. It is true there is little probability of it happening from natural causes, let there be no incentive to bring about such a condition.

The proceedings of the constitutional convention seem to me to demonstrate that it was never the purpose to permit Congress by enactment or other action to fill the Presidential office with its untrammeled choice for a term of years. The question was continually before the convention.

In the resolutions proposed by Edmund Randolph, it was provided that the national Executive be chosen by the National Legislature. It was almost immediately antagonized by a proposition from Mr. James Wilson, of Pennsylvania, providing for the selection by electors, which was lost, and the proposition of Mr. Randolph at first adopted.

The question, however, was again agitated. Alexander Hamilton's plan was like Mr. Wilson's, that the Executive be elected by electors "chosen by the people."

The propositions of William Paterson, of New Jersey, provided for the election of the Federal Executive by "the United States in Congress."

On the question being considered again in the convention, it was agreed that the Executive be chosen by electors appointed for that purpose by the State Legislatures. This was afterward amended by providing that the electors be chosen by the National Legislature. This was afterward changed so that the national Executive was to be chosen by the National Legislature.

These different propositions were then referred to a committee of five, which reported that the President shall be elected by ballot by the Legislature.

The whole matter was again referred to a committee of eleven, which reported the provision for the election of President by electors appointed in each State, equal in number to the Senators and Representatives from the States respectively. Again there was submitted the proposition that "he shall be elected by joint ballot by the Legislature, to which election a majority of the votes of the members present shall be required." This was lost, and the report of the committee of eleven adopted. The power of Congress was limited, in the event of a failure to elect, to the selection of a President by the House voting, not individually but by States, in the case of a tie, which of the two should be President; and in the case of no one having a majority, then to choose by ballot one from the five highest on the list. The Vice-President was to be the person receiving the greatest number of votes after the choice of President; and in the case of a tie the Senate was to choose from them the Vice-President.

The twelfth amendment changed the former provision, in requiring the electors to vote distinctly for Vice-President as well as President, and in the event of a failure to elect, restricting the House in a choice of President to the selection from the persons having the highest numbers, not exceeding three, on the list of those voted for as President. Thus has the Constitution, as originally framed and as amended, sought to keep from Congress the power to arbitrarily choose who shall be the President or Vice-President, the choice by the House and by the Senate being restricted to a selection from first five, then three of those who had received the highest number of votes of the electoral colleges, as instructed by voice of the people.

Certainly there is design, method, plan to be recognized in this; we must see that it was the purpose to secure to the people the right to elect the President and Vice-President and at the same time preserve the individuality of the States, these two purposes being secured by the adoption of the plan of an electoral college in each State chosen by its own people, leaving to each State the right to decide upon the manner in which it would appoint its electors and give expression to the will of its voters; further providing if the voice of the people was not so pronounced as to give a clear majority to any one, that the House of Representatives, voting as States, and not per capita, should select a President from among those receiving the highest number of electoral votes; the Senate, in which each State is represented equally, to select, in like manner, the Vice-President, preserving in the manner of voting the individuality of the States and enforcing, in the restriction of choice to one of the highest candidates, the expressed wish of the people. This was no scheme of hasty determination, no measure of expediency; it was the calm judgment, after consideration of proposition and counterproposition, perfected by consultation and argument, of men who were identified with the severance of the colonies from the mother country, and who were met to establish a government "of the people, by the people, for the people."

We have immediately following these provisions, so clearly indicating the design that Congress should not be clothed with the unrestrained power to select a President, the provision under which this legislation is being enacted, declaring substantially that in the event of a vacancy in the office of President and Vice-President Congress may by law declare what officer shall act as President until the disability be removed or a President shall be elected. In the light of the struggle that had taken place in the convention, resulting, as stated, in limiting the interference of Congress to a choice by States from certain candidates who had received to a certain extent the indorsement of the people, I can not regard the clause in question as giving Congress the power by enactment to fill the office of President for a term of years, or as anything more than an authority to fill the office provisionally until the machinery of election could again be put into operation.

This certainly was the view of the members of the Second Congress in providing for the new election as speedily as practicable; and that it was so intended seems clear, from the action of the convention which struck out of the clause, as reported by the committee of eleven, that such officer should act as President until the disability be removed, *or the period for choosing another President arrive*, the words in Italics, the effect of which is exactly that of the bill under consideration, and substituted the words "a President shall be elected." I can not regard this clause of the Constitution as conferring on Congress any greater power than to make provision for the temporary filling of the office and until a new President should be as speedily as possible chosen by the constitutionally prescribed methods.

If, in the judgment of the House, none of the amendments suggested to obviate this difficulty be adopted, and the bill as presented for final passage retains this objectionable feature, my convictions will require that I vote in the negative.

Presidential Succession.

SPEECH

OF

HON. SETH C. MOFFATT,

OF MICHIGAN,

IN THE HOUSE OF REPRESENTATIVES,

Monday, January 18, 1886,

On the bill (S. 471) to provide for the performance of the duties of President in case of the removal, death, resignation, or inability of the President and Vice-President.

Mr. MOFFATT said:

Mr. SPEAKER: Having the honor of being a member of the committee which reported the pending bill, justice to myself demands that I briefly state the reasons which induced me to join the majority of said committee in favorably reporting said bill and in advising its passage by this House.

This bill is designed to meet an emergency which has never before occurred in the history of this nation. It is purely and simply an emergency bill. No one claims it to be perfect. No member of the committee which reported the bill nor any gentleman who supports it on this floor claims that it meets very many cases which may arise in the future. The ingenuity of able and distinguished lawyers has been exercised in supposing exigencies which may occur for which the provisions of this bill do not provide. With the highest respect for the ability and ingenuity of these gentlemen, in my judgment very many of the cases supposed are so unlikely to occur as to be but faintly discernible in the dim horizon of probability.

I do not believe any bill can be framed under the Constitution which will not be open to the criticisms of not meeting every conceivable case which able gentlemen may suggest. But we do claim for the bill under consideration that it meets fully and completely the present emergency.

The gentleman from Ohio, who has so ably presented his views as a minority of the committee, in his skillful defense of his report called attention to the fact that six times in the history of the nation there has been no Vice-President to assume the office of President in case of death of the Chief Magistrate, and no serious results have followed; but the gentleman will recollect that in each case the death of the President would have occasioned no change in the political administration of the country. This is the first time, if I mistake not, when by the death of the President the control of the Government would be lost to the party to whom the suffrages of the people had committed it.

The whole theory of our Government is that the people shall once in four years determine the political policy which shall control for the succeeding four years, and any law which affords an opportunity for the defeat of this expression of the will of the people is, in my judgment, unwise and dangerous and a violation of the spirit of the Constitution. The President is but the representative of his party; his election is not so much a compliment to the man as an indorsement or the principles of his party, and that indorsement should be irrevocable for the succeeding four years. I yield to no one in my devotion to the Republican party. I am proud of its past and have the greatest of faith in its future, but I should deplore to see it called to power by the voice of death. The Republican party wishes no chance to draw a prize in what has been so aptly termed the "lottery of assassination." There is but one life between the present situation of affairs and this contingency and I submit to this side of the House that we can not afford to

take the chances. In this I apprehend we all agree and a law which affords a chance for a defeat of the recently expressed will of the people should not remain on the statute-books a day longer than is necessary to repeal it.

We should lose no time in providing for every contingency, but in the presence of the emergency now existing we should pass this bill, and then proceed to perfect such legislation as the judgment of Congress may deem necessary to provide for all other cases that may arise.

The main objection to this bill expressed by the gentleman from Ohio and other able and distinguished gentlemen upon the floor of the House is that it repeals that part of the present statute providing for an election to fill the vacancy occurring by the death of both the President and Vice-President, and the gentleman from Ohio proposes to amend the bill by striking out the repealing clause. I have failed to find, sir, in the power granted to Congress any authority to provide for such an election. I am aware that it is claimed that it is implied under general and sweeping provisions of the Constitution; but I submit it is a question not altogether free from doubt. Certain it is that distinguished jurists and statesmen, before whom I would not dare to hold up my rush-light, have expressed the opinion that Congress has not this power. Again, it is conceded that if a special election be held that the President elected will hold office for four years. This would be a great inconvenience, would break in upon the established system existing from the foundation of the Government, and be productive of untold and incalculable confusion.

The question in regard to the constitutionality of an intermediate election, the certain confusion that must result therefrom, and the delay which an amendment to this bill must necessitate, are sufficient reasons to my mind for rejecting the amendment proposed by the gentleman from Ohio.

We are advised by the highest authority that "true statesmanship consists not in blindly groping after the desirable, but in striving to obtain the attainable." The attainable in this emergency, in my judgment, is the present bill. Let us pass it and then submit to the States a carefully prepared constitutional amendment which will remove the question of succession to the high office of President from the region of doubt and debate.

Admission of Dakota.

SPEECH

OF

HON. PRESTON B. PLUMB,

OF KANSAS,

IN THE SENATE OF THE UNITED STATES,

Friday, February 1, 1885,

On the bill (S. 967) to provide for the admission of the State of Dakota into the Union and for the organization of the Territory of Lincoln.

Mr. PLUMB said:

Mr. PRESIDENT: I do not wish to detain the Senate at this late hour to any considerable length, nor in fact to make a set speech on this subject after the very thorough manner in which it has been discussed by the Senators on both sides of the Chamber; but there are some facts bearing upon the attitude of parties to this question which seem to have been overlooked in the discussion and which I think are pertinent to it that I shall be glad to bring to public attention.

So much has happened since 1861 that the memories of very few persons go back of that very important period in the history of the country. So many important events have transpired since that date that what occurred before it has come to be quite ancient history. At this moment it seems wise to refer to it.

In 1857 the Legislature of the Territory of Kansas, then being in the hands of the pro-slavery party, under a government which was instituted not by the people of the Territory of Kansas but by the people of South Carolina and Missouri chiefly, passed an act for the assembling of a convention to frame a constitution for the proposed State of Kansas. The members of the constitutional convention were elected in the spring of 1857, and at that election only about 2,000 votes were cast; that is to say, the entire vote cast for members of the convention to frame the constitution was only about 2,000. The convention met in the succeeding summer, and then, for reasons which it is not necessary to enumerate, adjourned until October. Pending their reassembling the regular annual Territorial election for the choice of members of the Territorial Legislature was held, and at that election for the first time in the history of the Territory the Free State men prevailed and elected a very considerable majority of the members of both houses of the Legislature notwithstanding the fact that there were a very large number of fraudulent votes cast in behalf of the pro-slavery or Democratic candidates, 1,600 votes for the Democratic candidates having been returned from Oxford, a village of six houses, on the line between Missouri and Kansas, where it was shown only about 50 people lived and where but about 30 votes were actually cast; and 1,200 votes being returned for the Democratic candidates from McGee County, in which not over twenty families resided and in which not a vote was cast and no election held.

The constitutional convention thus called met at its adjourned session in the month of October and continued in session until some time in November following. It framed a constitution, which was subsequently submitted to Congress, and which is known in the history of that time as the Lecompton constitution. By the ordinance of that constitution there was to be submitted to the people of the Territory of Kansas, at an election called and to be held on December 21, 1857, not the question of the adoption of the constitution nor the question as to whether the people desired to be admitted into the Union under it, but simply the question as to whether they would have the constitution with slavery or the constitution without slavery. They were to have the constitution and admission under it in any event. The form of the submission was this: After stating that the vote should be by ballot, and naming how the judges and clerks of the election should be appointed, &c., the ordinance goes on to say:

> The president, with two or more members of this convention, shall examine said-poll books, and if it shall appear upon said examination that a majority of the legal votes cast at said election be in favor of the "constitution with slavery" he shall immediately have the same transmitted to Congress of the United States, as hereinbefore provided; but if, upon such examination of said poll-books, it shall appear that a majority of the legal votes cast at said election be in favor of the "constitution with no slavery," then the article providing for slavery shall be stricken from this constitution by the president of this convention, and slavery shall no longer exist in the State of Kansas, except that the right of property in slaves now in this Territory shall in no manner be interfered with, &c.

The submission, it will be seen, was not for the purpose of ascertaining the sense of the voters of the Territory of Kansas as to whether they desired to be admitted into the Union at all, nor as to whether they desired to be admitted into the Union under that constitution, but only whether in case they had to be admitted, that being assumed, they desired to be admitted under the constitution with slavery or the constitution without slavery; and it was so framed, as will be observed by the language which I have quoted, that slavery in any event was to be maintained in the State of Kansas. By the terms of the constitution it could not be amended until the year 1864. It was well understood that a large majority of the people of Kansas were for making it a free State, and that as soon as they could get their hands on the constitution, if they should be admitted under it, they would make it an instrument of freedom and not an instrument of slavery; but the constitution, as I said, was so framed that it could not be amended before the year 1864, and thus if the people of the Territory of Kansas voted for the constitution with slavery they were certain to have that institution with them as a part of the fundamental law until that year; and if they voted for the constitution without slavery then they were to have slavery forever to the extent that they then had it; in other words, in the very expressive and happy language of Mr. Seward in his speech on that subject in the Senate:

> Each voter was permitted to cast a ballot "for the constitution with slavery," or "for the constitution with no slavery;" and it was further provided, that the constitution should stand entire, if a majority of votes should be cast for the constitution with slavery, while on the other hand, if the majority of votes cast should be "for the constitution with no slavery," then the existing slavery should not be disturbed, but should remain, with its continuance, by the succession of its unhappy victims by descent forever.

At the election which was held, at which these two questions were voted upon, the result was announced to be, constitution with slavery 6,226, constitution with no slavery 569, a total vote of less than 7,000, and two-thirds of the affirmative votes were fraudulent.

The ordinance of that constitution provided for the election of a State ticket, the election for that purpose to be held on the 4th day of January, 1858.

Immediately after the adjournment of the Lecompton constitutional convention it being discovered then that the constitution itself was not to be submitted to the people, and the full scope of the determination and conspiracy to force Kansas into the Union under a pro-slavery constitution being appreciated, leading Free State members of the Legislature-elect united in a request to the acting governor of the Territory, Hon. F. P. Stanton, to convene the newly elected Territorial Legislature in extra session in order that measures might be taken if possible to prevent the success of this vile conspiracy against the rights of the people. This request was acceded to, and on the 1st day of December the proclamation was issued convening the Legislature to meet on the 7th. On the 17th the Legislature passed an act submitting the Lecompton constitution to the people on the day appointed (January 4, following), for the election of State officers under that constitution, and on that day, December 17, Secretary Stanton received notice of his removal from office by the President, because of his having thus convened the Legislature in special session.

Both elections were held as ordered, the result being that over 10,000 votes were cast against the constitution and only about 150 for it. At the same election the Free State men chose a full ticket of State officers under the Lecompton constitution, elected under protest and in order to make more manifest to the Congress and the people of the United States the position they occupied in reference to that instrument and

with reference to the attempt to put them into the Union under it. Every member of that State government so elected joined in a protest to Congress against the admission of Kansas under the Lecompton constitution.

The gentleman who was the president of that convention, Mr. Calhoun, of Illinois, who went to the Territory as its surveyor-general, bearing the commission of the then President of the United States, Mr. Pierce, disappeared very suddenly after the first election, moved to such disappearance by the fact that he was liable to be indicted, as he undoubtedly would have been, for his participation in the frauds occurring at the election of December 21. He came to be known in the local vernacular of that time as "Candle-box Calhoun," because of the fact that certain fraudulent returns which had been forwarded from the Delaware, Oxford, and other precincts were concealed in a candle-box under a wood-pile at Lecompton, the seat of the Territorial government. Mr. Calhoun turned up after a mysterious passage from Kansas to Washington along about the last days of January, 1858, and presented to President Buchanan a copy of the Lecompton constitution, which Mr. Buchanan by a special message, dated on the 2d day of February, transmitted to Congress. The message covers about twelve pages ordinary document size, in which the President argued the Kansas question at great length. A portion of that message I will read for the purpose of exposing now, in connection with this debate, the Democratic position at that time on the question of the admission of new States into the Union.

It will be remembered that the election at which the people of Kansas had voted, and the only election at which they had had a chance to vote on the question of their desire to be admitted into the Union under the Lecompton constitution, had been held nearly a month before Mr. Buchanan presented this message to Congress, resulting in a nearly unanimous vote against admission under the Constitution. The result of that election was not only known to Mr. Buchanan but to every other person in the United States who could read. Mr. Buchanan, in arguing the question, treats of the rights of the people of the Territory of Kansas under the Kansas and Nebraska bill as follows:

> That this law recognized the right of the people of the Territory, without any enabling act from Congress, to form a State constitution, is too clear for argument. For Congress "to leave the people of the Territory perfectly free" in framing their constitution, "to form and regulate their domestic institutions in their own way, subject only to the Constitution of the United States," and then to say that they shall not be permitted to proceed and frame a constitution in their own way, without an express authority from Congress, appears to be almost a contradiction in terms. It would be much more plausible to contend that Congress had no power to pass such an enabling act than to argue that the people of a Territory might be kept out of the Union for an indefinite period, and until it might please Congress to permit them to exercise the right of self-government. This would be to adopt not "their own way," but the way which Congress might prescribe.

It will be observed that the organic act of the Territory of Kansas simply remitted to the people of that Territory the right to "regulate their domestic institutions in their own way," a term which was not liable at that date to any misconstruction; that was well understood to refer simply and only to the question of slavery; and Mr. Buchanan upon that premise argued that for Congress to refuse to admit a State into the Union which had exercised, as he assumed the Territory of Kansas had exercised, the right to regulate this domestic institution was a denial of the right of self-government. This provision in the organic act is no broader in terms, even as construed by Mr. Buchanan, than the Louisiana treaty by which we acquired what is now the Territory of Dakota from France. That is in the following words:

> The inhabitants of the ceded territory shall be incorporated in the Union of the United States, and admitted as soon as possible, according to the principles of the Federal Constitution, to the enjoyment of all the rights, advantages, and immunities of citizens of the United States; and in the mean time they shall be maintained and protected in the free enjoyment of their liberty, property, and the religion which they profess.

It will be seen, I think, that this provision of the Louisiana treaty is a much more comprehensive one than the one which Mr. Buchanan found in the organic act of Kansas. He goes on to say:

> It is impossible that any people could have proceeded with more regularity in the formation of a constitution than the people of Kansas have done. It was necessary, first, to ascertain whether it was the desire of the people to be relieved from their Territorial dependence and establish a State government. For this purpose the Territorial Legislature in 1855 passed a law "for taking the sense of the people of the Territory upon the expediency of calling a convention to form a State constitution" at the general election to be held in October, 1856. The "sense of the people" was accordingly taken, and they decided in favor of a convention. It is true that at this election the enemies of the Territorial government did not vote, because they were then engaged at Topeka, without the slightest pretext of lawful authority, in framing a constitution of their own for the purpose of subverting the Territorial government.

Mr. Buchanan, it will be seen, admits that the Free State men, who were in an undeniable majority of more than 4 to 1, did not vote. The returns show that but 2,592 votes were cast for a constitutional convention at this election and 454 against it. Of these 1,300 were cast in a single county, and one-half at least were fraudulent.

It is not necessary to recall in detail the history of those days to show why the Free State voters did not participate in that and subsequent elections, though in the majority. The Territorial Legislature which called the election was the creature of fraud and violence. Many of its members were citizens of Missouri, and a large majority of both bodies were chosen by votes cast by invaders from Missouri and other slave States. "They seized the ballot-boxes, replaced the judges of elections with partisans of their own, drove away their opponents, filled the boxes with as many votes as the exigencies demanded, and, leaving the results to be returned by reliable hands, they marched back again to their distant homes to celebrate the conquest and exult in the prospect of the establishment of slavery upon the soil so long consecrated to freedom."

Instead of a free republican government in the Territory such as popular sovereignty had promised there was then and thenceforth a hateful usurpation. This usurpation proceeded without delay and without compunction to disfranchise the people. Laws designed to reduce the white Free State settlers of the Territory to a condition of practical slavery were passed. All judges, sheriffs, justices, constables, and other county officers, including officers of elections, were appointed by the Legislature or by agents created by it. No person could vote without taking an oath to support the fugitive-slave law. Every member of succeeding Legislatures, every judge of election, every voter, must swear to his faithfulness on the test questions of slavery. Every officer in the Territory, judicial, executive, or legislative, every attorney admitted to practice in the courts, every juryman weighing evidence on the rights of slaveholders, must attest his soundness in the interest of slavery and his readiness to indorse its most repugnant measures.

To all this was added a reign of terror in which the life and property of Free State men were rendered insecure. The Territory was traversed by armed bands of pro-slavery men from Missouri and other Southern States; indictments were found against the leading Free State men, and such as did not flee the Territory were arrested and imprisoned. The whole civil and military power of the United States Government was wielded under the direction of the pro-slavery leaders to the purpose of intimidating and driving from the Territory the Free State majority in order that the small minority of pro-slavery men might, backed by their non-resident allies, make of Kansas a slave State.

It is not surprising, therefore, that the Free State majority did not participate in the so-called election of October, 1856. But their absence stamped as convincingly as their presence could have done the usurping character of the whole proceeding.

It was from such sources that the Lecompton constitution sprung—the creature of violence and fraud, of the most atrocious conspiracy against the rights of a free people which had ever been practiced upon the American continent.

It was this constitution, conceived in fraud and brought forth in iniquity, which the convention framing it had refused to submit to the people for their approval, which established and perpetuated slavery, and which the people of the Territory at an election called for the purpose by the Territorial Legislature had voted down overwhelmingly, which Mr. Buchanan commended to Congress as the "exercise of the right of self-government," and under which he urged the admission of Kansas into the Union—practically asking Congress to force Kansas into the Union as a slave State.

I have found it instructive to re-examine the Congressional history of that time, and my memory was not at fault in telling me that those who led the fight in favor of forcing slavery upon an unwilling people and in the effort to force Kansas into the Union against the all but unanimous vote of her people, were those who then represented the States of Missouri and South Carolina in both Houses of Congress.

The Senate of that day, giving swift heed to the request of Mr. Buchanan, by the vote of every Democratic member except those of Douglas and three or four followers from the Northern States, voted to admit Kansas under the Lecompton constitution. The House majority, less resolute in its determination to force Kansas into the Union as a slave State, substituted for the bill of the Senate what came to be known as the English bill, which submitted to the people of Kansas the question of their desire to come into the Union under the Lecompton constitution at an election to be held in the following August, and the Senate subsequently yielding the bill became a law.

This was supposed to be a reasonably certain way of bringing Kansas into the Union under the Lecompton constitution, on account of the evident desire of the people of Kansas to be admitted into the Union and the great inducements offered. The bill not only offered to the people of Kansas the greatest quantity of land for public purposes ever offered to a new State in case they voted to come into the Union under the Lecompton constitution—and in case of the vote being in the affirmative the President was authorized to proclaim the result, and thereupon, without further proceedings of Congress, Kansas should at once become a State of the Union—but in the event that the people should reject the Lecompton constitution it was provided that the Territory should not be admitted until by a census, thereafter to be taken, there should be shown to be a population equal to the ratio of representation required for a member of the House of Representatives, in which event a convention to frame a new constitution might be called, &c.

But the temptation was unavailing. Much as the people of Kansas desired admission into the Union for the purpose of being rid of the infamous and hateful persecutions of the Federal Government, they could not be coaxed or bribed to abate one jot or tittle of their determination to come in only under a Free State constitution, and one, too, of their own framing, and so at the election ordered by the English bill they buried the Lecompton constitution out of sight under an overwhelming avalanche of their votes. Out of a total vote of over 13,000 all but about 1,800 were cast against the constitution.

Then the census was taken, members of a constitutional convention duly chosen, a constitution framed, which was in turn submitted to the people for their approval or rejection. A majority of more than two to one voted in its favor in the largest poll of votes ever cast in the Territory, and the constitution was transmitted for presentation to the first session of the Thirty-sixth Congress in December, 1859. In the following April an act passed the House by the votes of the Republicans and Douglas Democrats admitting Kansas under the new constition, and on the 21st day of the following January (1861) the Senate passed the bill with an amendment, the vote on the same being classified as in the House; and on the 29th day of the same month President Buchanan signed it, and Kansas was finally, after a great and bloody struggle, admitted into the Union as a free State.

This struggle is significant to be recalled because of the historical parallel it furnishes to what is transpiring now.

The last in a long line of Democratic Presidents, until the present, made indecent haste to urge, officially, that Kansas be forced into the Union under a constitution which established slavery on soil consecrated to freedom, notwithstanding the people to be affected by it had overwhelmingly repudiated it. The representatives of the national Democracy of that time, led by the Senators and Members from Missouri and South Carolina, were the actors in this conspiracy against free soil and free States. Subsequently, when Kansas presented itself with a free constitution, the choice of its people, with more than the requisite population, the same Senators and Members, followed by all the Democratic Representatives except the few who consorted with Mr. Douglas, resolutely and vindictively fought against her admission.

Is not history repeating itself? Is there no significance in the fact that the fight against the admission of Dakota, a free State, is led in the Senate by the Senators representing the same States of the same political faith, the lineal successors of those who first tried to force Kansas as a slave State into the Union and later tried to keep her out as a free State? The fight against Dakota is under the same banner and under the same leadership as was the fight against Kansas, and with the same purpose to keep out of the Union a free Commonwealth.

This is not only worthy of consideration as a historical parallel, but I present it as a part of the dispute I make to the position assumed by the Senator from Alabama [Mr. MORGAN]. He says the Democratic party has always been favorable to the admission of new States, and I reply that the Democratic party has never favored the admission of new States unless such States were in political affiliation with that party. No other test except that of party affiliation has ever been applied by the Democratic party, and it has consistently opposed the admission of all States into the Union which were not in political accord with it.

Are we on the threshold of a contention about the admission of new States which will be carried out of these halls and divide the American people as they divided upon Kansas? The Kansas struggle foreshadowed the greater one which followed for the preservation of the Union. It was in those days "bleeding Kansas," "abolition Kansas," abolition traitors, Yankees, higher-law men—any and all terms which expressed for the Free State settlers of Kansas contempt, and designed to cover them with obloquy, to show their utter worthlessness and unfitness for self-government. The felicitous language of the Senator from Missouri enabled him to characterize the people of Dakota in something like the same virulent fashion; and yet I appeal to facts within the knowledge of every Senator on this floor when I say that the Kansas of that early time was worthy of association with the States then or since composing the American Union. The Kansas of bitter contention, treated with indignity and contumely by the slave oligarchy and its servile tool, the Democratic party, became, in the language of Mr. Sumner, "the ministering angel of the Republic."

Kansas came into the Union when the Union was breaking—seemingly beyond the hope of ever again recovering—as the States whose representatives in House and Senate had persecuted her and caused her fair face to be defiled with blood were leaving their places in the Union to join in a wicked and causeless rebellion. It did not seem an attractive place to get into—a Union assailed by nearly one-half its inhabitants—but the people of Kansas were not dismayed. Admission to the national Union as a free State had been for all the weary years of their struggle the goal of their ambition, and they cheerfully came in, knowing that the toil and blood by means of which their ambition had been wrought out would necessarily be followed by similar sacrifices to maintain the Union, a place in which they had at last achieved. In that hour of supreme peril they never doubted that the principles of freedom for which they had contended and by the sign of which they had conquered would save the Republic, and so they not only willingly, joyfully cast their fortunes into the balance with what was left of the American Union of States and people, but having literally fought to get in, they fought under the flag of the Union to bring the seceding States back—fought out all that long struggle, manfully giving to the ranks of the Union Army more men than there had ever been votes cast in Kansas, more in proportion to population than any of the States which adhered to the Union.

The one hundred thousand people in Kansas in 1861 have become one million and a half. The settlements of that day which were mainly found in the tier of counties which bordered on Missouri now cover nearly all the 80,000 square miles composing the State. The burden of the desert has been lifted. The industrious, energetic, and adventurous people of Kansas stamped their feet upon the ground and there came forth not only fruits of the soil in abundance, but pleasant and comfortable dwellings, orchards, school-houses, churches, railroads, towns, cities, and all the appliances and blessings of a high state of civilization, of a State free in fact as in name—one not ashamed to hold up its head alongside the oldest and proudest members of the Republic. They have nothing to be ashamed of by comparison with those who persecuted them in the days of their trial. They do not boast of their ancestry; they have been too busy to gather up much in the shape of a pedigree, but the results of their labors—civilization, prosperity, liberty—they will put against any lineage, however proud. Four thousand miles of railroad, school-houses of the value of $7,000,000, a present annual expenditure for school purposes of nearly $3,000,000—these are no inconsiderable results from the poverty of twenty-five years ago, but they are the result of ambitious, well-directed labor inspired by a determination which has been appalled at no obstacles and shrunk from no difficulty.

No suppliants they of national bounty, no jealousy of other communities desirous of a place in the national Union. They know that the more props under the national arch the stronger it is; that the Union of States increases in strength as new and virile communities are added to it; and when, as in the case of Dakota, there is embraced within her limits the blood and brawn of all the races and conditions of men whose association on the North American Continent has made the greatest republic the world ever saw, they gladly welcome her. They are willing that two Senators representing Dakota shall sit on this floor. The added power to the Republic will more than make up for any loss of power to Kansas. Kansas says to all the Territories possessing the requisite population and struggling for that which she struggled for and paid for with the price of her blood, "Come into the Union; we know you are equally virtuous with us, and we know that your hopes and aspirations are as ours are, and we would clasp and bring together under the ægis of the Republic in the exercise of the precious right of self-government every American citizen who has an honest aspiration for freedom and a determination to defend and perpetuate it."

Perhaps, Mr. President, the voice of South Carolina and of Missouri is more entitled to weight than that of Kansas. They are older States; they boast of their generations of able and distinguished public men, of an ancestry that goes back to the earlier days of the Republic. I would not speak lightly of this, but Kansas shrinks from no comparison as to present condition in all vital particulars. She asks no question about age, birth, or previous condition; all she asks is what the person coming within her borders proposes to do for the future. If to be a good citizen, then he is welcome. And so Kansas espouses the cause of Dakota, perhaps a little stronger because she sees her contending with the same influences in the Senate, against the same leadership and the same following which she herself encountered twenty-five years ago. In many ways it is the same contention, and I hope destined to the same result.

It is indeed significant that here, in the first days of the first Democratic administration which the country has had for twenty-five years, the forces in this Chamber are dividing precisely as and upon substantially the same questions that they divided upon at the close of the last Democratic administration. The last step of 1861 is the first step of 1886. The Democratic party newly restored to power is beginning where it left off. History does thus repeat itself. It will be instructive to observe hereafter how far the parallel continues.

The people will not be more considerate to-day of a conspiracy against the rights of Dakota than they were twenty-five years ago of the conspiracy against Kansas. Now, as then, resistance within will cause the tide to rise higher without—and to use the words of Mr. Seward in another forum, "The people will pick strong matter of wrath out of the bloody finger-ends of a successful conspiracy."

Fitz-John Porter.

SPEECH

OF

HON. WILLIAM D. KELLEY,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 17, 1886.

The House being in Committee of the Whole, and having under consideration the bill (H. R. 67) for the relief of Fitz-John Porter—

Mr. KELLEY said:

Mr. CHAIRMAN: With sincere thanks to the gentleman from Michigan for the courtesy he has done me, I avail myself of the fifteen minutes, not for the purpose of attempting to review the testimony elicited on

the trial that resulted in the conviction of General Fitz-John Porter, but to ask leave to submit a review of that testimony which was made by the Judge-Advocate-General, Hon. Joseph Holt, and was, through the War Department, submitted to President Lincoln, pending his consideration of the record and findings of the court, which conscientious consideration led him to cause the following order to be issued:

Sentence: And the court does therefore sentence him, Maj. Gen. Fitz-John Porter, of the United States Volunteers, to be cashiered and to be forever disqualified from holding any office of trust or profit under the Government of the United States.

Second. In compliance with the sixty-fifth of the rules and articles of war, the whole proceedings of the general court-martial in the foregoing case have been transmitted to the Secretary of War, and by him laid before the President of the United States.

The following are the orders of the President: The foregoing proceedings, findings and sentence, in the foregoing case of Maj. Gen. Fitz-John Porter, are approved and confirmed; and it is ordered that the said Fitz-John Porter be, and hereby is, cashiered and dismissed from the service of the United States as a major-general of volunteers, and as colonel and brevet-brigadier general in the regular service of the United States, and forever disqualified from holding any office of trust or profit under the Government of the United States.

JANUARY 21, 1863.

This order is signed by Abraham Lincoln, than whom, sir, I have high military authority for saying an abler theoretic soldier never lived; than whom, sir, few abler lawyers have ever lived; than whom, sir, no more humane man ever breathed the breath of life. It was made, too, when the facts of the case were all fresh in his memory, for he had watched for nearly four days and nights the progress of the betrayal of the Army of Virginia by a great soldier—for such I believe Fitz-John Porter to be by training and natural gifts—the betrayal, I say, of that army by a great soldier, who, having forgotten country and patriotism, sunk himself to infamy by regarding military office and duty as a personal trust for the benefit of himself and his clique or coterie. I have just heard it maintained by the gentleman from Nebraska [Mr. LAIRD] that Fitz-John Porter was loyal to Pope. If he were loyal to Pope he did not know it. If he were loyal to Pope he shamefully belied himself. On this point I appeal to the testimony of one who was known to and respected by all of us who were members of the Forty-seventh Congress. I refer to the late William Blair Lord, who so long graced one of the seats at the desks of the reporters of this House, and whose marital relations were so beautiful as to have made them noteworthy in the esteem of all who knew him and "the little woman," as he fondly called the wife to whom for many years he had been supremely devoted.

I appeal to Mr. Lord, with his memory enforced and refreshed by the fact that, shocked at hearing the man whom he worshiped, Fitz-John Porter, during his trial by the court-martial declare that he had not been loyal to Pope, had transmitted a statement of it to his wife, and now produced before the commission which re-examined the case his book containing a press-copy of his letter. With this book in hand he testified as follows:

Q. Will you state substantially what that interview was, and what General Porter said?

A. I had been directed by the judge-advocate of the court to proceed to the rooms of General Porter, and to look for some telegrams that had been introduced in evidence that day, and that had been mislaid in some way. While there looking over some papers General Porter made the remark: "I was not loyal to Pope; there is no denying that."

Pope was his commanding general and represented the majesty of his Government; and therefore, even though he had blundered and had ordered Porter and his men, as the six hundred of Cardigan's troop were ordered, with cannon to the right of them, cannon to the left of them, cannon in front of them, into hell, he should have plunged rather than have slunk from dangerous duty in the hour of battle. But let me read further from the testimony of Mr. Lord:

Q. Do you recall anything else that he said in that connection?

A. I can not say that I do, and I doubt that I should recall that now but for the peculiarity of the circumstances, and the fact that I made a record of it myself a few days afterward. Otherwise I think likely I should have forgotten it.

Q. That was during the progress of the trial before a general court-martial?

A. It was.

The PRESIDENT OF THE COURT. The decision is that the letter is admissible for the purpose stated by the counsel, namely, not to prove the fact, but to test the credibility of the witness.

By the RECORDER:

Q. You have stated in your cross-examination that the feelings which had actuated you you expressed at the time you wrote that letter to your wife. It was not called for by the counsel for the petitioner. I will call for it. Please let me know what you stated on the subject, if you have that letter here.

(Witness produced a book.) Shall I read?

Q. Just that part and no more.

This is what he wrote to "the little woman"—his dear wife:

I have been a little bothered about General Fitz-John Porter. I had to go to his room on Monday to get some papers that belonged to the court that he had had to copy. One of the reporters of the New York Times was along with me. While in the room, after some conversation, General Porter made the remark, "Well, I wasn't loyal to Pope; there is no denying that." Now, that is really the charge against him before the court-martial—that he did not do his duty as an officer before the enemy, and that he did not act rightly toward General Pope, his commanding officer.

Yet gentlemen here say that Porter did not know he was disloyal—that he was in fact loyal; and the speech to which we have just listened seemed to me to come as near to the facts of the case, generally, as its author did in insisting upon it that Porter did not know his own feelings—his state of loyalty or disloyalty.

Again, it was idle to appeal to Porter by motives of patriotism. The appeal that would move him must be personal to himself and his friends. So long as he was under Pope's command he was slow, treacherous, and false; but when, by his inaction, Pope had been driven within the defenses of Washington, and by McClellan's superior rank became subject to his orders, his alacrity revived. But on this point he required assurances from headquarters. I will therefore close my remarks by reading a brief note from Maj. Gen. George B. McClellan, first asking leave to print an official paper which I have not time to read—the review of the evidence by Judge-Advocate-General Holt.

WAR DEPARTMENT, *September* 1, 1862—5.30 p. m.

I ask you—

For your country's sake? By the sense of military duty that was instilled into you by the Government in your boyhood when it was educating you for military life? By your love of country? Oh, no! General McClellan knew his correspondent too well for that.

I ask you for my sake, that of the country, and of the old Army of the Potomac, that you and all friends will lend the fullest and most cordial co-operation to General Pope in all the operations now going on—

Which were then chiefly the gathering of his hungry, bleeding, disheartened troops within the defenses of Washington, and so bringing them under the command of the writer of this letter.

The distresses of our country, the honor of our arms are at stake—

They had not been, it seems, during the four days preceding this. I had thought they had, but I have learned this afternoon and from the general discussion on the other side that there was nothing going on during those days that required Major-General Porter to bring his troops into action.

The distresses of our country, the honor of our arms are at stake, and all depends now upon the cheerful co-operation of all in the field. This week is the crisis of our fate. Say the same thing to all my friends in the Army of the Potomac, and that the last request I have to make of them is that for their country's sake they will extend to General Pope—

Now out of command by having been driven back within McClellan's lines—

the same support they ever have to me.

Mr. BRAGG. Certainly the gentleman would not intentionally make a misstatement.

Mr. KELLEY. No.

Mr. BRAGG. General Pope was not then within the lines of Washington; he had not yet been driven back, and that dispatch was answered from the field.

Mr. KELLEY. He was falling back, and his troops were coming within the lines of the defenses of Washington.

I am in charge of the defenses of Washington—

Now he gives his pretty boy assurances that no harm shall come to him—

I am in charge of the defenses of Washington. I am doing all I can to render your retreat safe, should that become necessary.

But, Mr. Chairman, I fear that my interjections have prevented gentlemen from fully appreciating the rhetoric in which the self-absorbing patriotism of this dispatch is clothed. I will therefore repeat it in unbroken continuity. It is as follows:

I ask you for my sake, that of the country, and of the old Army of the Potomac that you and all friends will lend the fullest and most cordial co-operation to General Pope in all the operations now going on. The distresses of our country, the honor of our arms, are at stake, and all depends now upon the cheerful co-operation of all in the field. This week is the crisis of our fate. Say the same thing to all my friends in the Army of the Potomac, and that the last request I have to make of them is that for their country's sake they will extend to General Pope the same support they ever have to me. I am in charge of the defenses of Washington. I am doing all I can to render your retreat safe should that become necessary.

GEO. B. McCLELLAN,
Major-General, Commanding.

Major-General PORTER, *Centreville,*
Commanding Fifth Corps.

Mr. BRAGG. Now, will the gentleman read Porter's response to that dispatch?

Mr. KELLEY. It is not in my possession. How painful a contrast to Porter's conduct while under Pope's command is presented by Dessaix at Marengo and that of Richepanse at Hohenlinden. Dessaix, with his cavalry, was 15 miles from what proved to be the field of battle and marching from it when his ear caught a dull thud, which, with his experience, he thought might be the roar of distant cannon. Listening a moment, he became convinced, and though his orders would have protected him in leaving the battle farther in his rear he changed front and, with the utmost speed his cavalry could attain, reached the field, and hurling his cavalry upon the enemy's rear at the cost of his life converted defeat into victory and added one of its most splendid glories, that of Marengo, to the story of the great Napoleon. The conduct of Richepanse was, if possible, in even more striking contrast to that of Porter, for in disregard of orders that would have kept him out of the battle, with sword in hand, amidst his grenadiers, he penetrated into the forest, sustained a violent discharge of grape-shot, and falling on the Austrian rear in the defile accomplished a complete rout of the Austrian army, which lost 20,000 men, with nearly all its artillery and baggage. But we need not go to the story of foreign wars for brilliant illustrations of the truth that soldierly instinct and military training

unite in leading a soldier to participation on a field in which his fellow-soldiers are maintaining an unequal fight. Recall the story of Porter's inaction from the day that he learned, at or near Acquia Creek, that Pope, not McClellan, was now to command him until he was assured that he was again to pass under McClellan's command, and imagine, if you can, Phil. Sheridan or Hancock, or any other soldier whom you and I and all of us are ready to honor, living safely as he did through the 27th, 28th, and 29th of August, 1862. Such conduct on the part of such a soldier is inconceivable. And that Porter, after arraignment and a fair and protracted trial for his misconduct, should at the end of nearly a quarter of a century appeal to the country to obliterate the finding against him which Abraham Lincoln, despite his boundless humanity, was constrained to approve, and to restore him to the Army, will be regarded by future historians as one of the marvels of these times.

[Here the hammer fell.]

Mr. KELLEY. I renew my request for consent to incorporate Judge Holt's review of the testimony with my remarks.

Mr. BRAGG. And I object.

Friday, February 19.

Mr. KELLEY. Mr. Speaker, with entire respect to the House and all its members, I renew my request to incorporate in my remarks on the bill disposed of yesterday for the relief of Fitz-John Porter the review of the testimony which I originally proposed to substitute for a review of my own. I ask leave to print it in connection with my remarks, which in their incomplete condition I still withhold.

The SPEAKER. The gentleman from Pennsylvania [Mr. KELLEY] asks unanimous consent to incorporate in his remarks on the bill for the relief of Fitz-John Porter a review of the testimony by Judge-Advocate-General Holt. Is there objection?

Mr. BRAGG. Mr. Speaker, the war being over, the tide of battle having moved away, I am in favor of general amnesty; and, therefore, I am entirely willing that the gentleman should print all he desires.

The SPEAKER. There being no objection, the leave requested by the gentleman from Pennsylvania will be granted.

REVIEW OF THE JUDGE-ADVOCATE.

JUDGE-ADVOCATE-GENERAL'S OFFICE, *January* 19, 1863.

SIR: In compliance with your written instructions, under date of the 13th instant, "to revise the proceedings of the court-martial in the case of Maj. Gen. Fitz-John Porter, and to report fully upon any legal questions that may have arisen in them, and upon the bearing of the testimony in reference to the charges and specifications exhibited against the accused, and upon which he was tried," I have the honor to submit the following report:

As the animus of the accused toward his commanding general, in pursuing the line of conduct alleged against him, must largely affect the question of his criminality, and may furnish a safe and reliable light for your guidance in determining points otherwise left doubtful by the evidence, it is proper that it should, if possible, be ascertained before entering at large upon the review of the case which you have instructed me to make.

General Porter, with his command, belonged to the Army of the Potomac, which had closed its disastrous campaign on the Peninsula just before the moment at which the narrative of the events set forth in the record before you is taken up by the witnesses who have deposed. General McClellan and Assistant Secretary of War Tucker state that he displayed great energy and zeal in debarking his troops and hastening their departure for Acquia Creek. The former, however, adds that it was not then known to the accused that he was to be placed under the immediate command of General Pope, the question of the command not having at that time been decided. It should likewise be borne in mind that the transfer of the Army of the Potomac, once begun, was a movement of extreme peril, and that extraordinary efforts on the part of all engaged in it were prompted, not only by those high considerations of patriotism which must be supposed to have been present, but also by the equally urgent instincts of self-preservation. The order of General Halleck, directing the junction of the command of the accused with that of General Pope, seems to have reached him at Acquia Creek. From this he proceeded, in obedience to the order, to effect the junction, and at that time, as we learn from General Burnside, he lacked confidence in General Pope, and shared the distrust alleged by the witness to have been entertained by many officers of his capacity to conduct the campaign in which the Army of Virginia was then engaged. He reported to General Pope by note on the 26th, and in person on the morning of the 27th of August, 1862, at Warrenton Junction. In the brief conference which ensued between them in the forenoon of that day he must have acquired all the information he then possessed as to the plan of the campaign and as to the disposition of the forces of the contending armies. After this conference, at 4 o'clock p. m. of that day, he sent to General Burnside the dispatch first referred to in the testimony. In that dispatch, interspersed amid various items of military intelligence, are found the following expressions:

"We are working now to get behind Bull Run, and I presume will be there in a few days, if strategy don't use us up. The strategy is magnificent and tactics in the inverse proportion." "I was informed to-day, by the best authority, that in opposition to General Pope's views this army was pushed out to save the Army of the Potomac—an army that could take care of itself." Most of this is private, but if you can get me away do so." In another dispatch to the same officer on the 27th of August he says: "Please hasten back the wagons I sent down, and inform McClellan, that I may know that I am doing right." Again, at 2 p. m. of the 28th, he dispatches: "All that talk about bagging Jackson, &c., was bosh." "That enormous gap, Manassas, was left open, and the enemy jumped through; and the story of McDowell having cut off Longstreet has no foundation." "The enemy destroyed an immense amount of property at Manassas—cars and supplies. I expect the next thing will be a raid on our rear by Longstreet, *who was cut off*." Another dispatch to the same, dated Bristoe, August 28, 1862, 9.30 a. m., and introduced by the accused, concludes as follows: "I hope for the best. My lucky star is always up about my birthday, the 31st, and I hope McClellan's is up also. You will hear of us soon by way of Alexandria." To the same officer, from Bristoe, 6 a. m., 29th, he telegraphs: "Heintzelman and Reno are at Centreville, where they marched yesterday. Pope went to Centreville with the last two as a body guard, at the time not knowing where was the enemy, and when Sigel was fighting within 8 miles of him and in sight. Comment is unnecessary. I hope Mc's at work, and we will soon get ordered out of this. It would seem, from proper statements of the enemy, that he was wandering around loose, but I expect they know what they are doing, which is more than any one here or anywhere knows."

The precise import of these remarkable words, in their connection, can not be mistaken, nor can it fail to be observed how harshly they jar upon the proprieties of military life. It may be safely affirmed that they express, on the part of the accused, an intense scorn and contempt for the strategy and movements of the Army of Virginia, a weariness and disgust for his association with it, added to a bitter fling at his commanding general, as found in the extraordinary declaration that he had taken two divisions of his army as a "body guard" to Centreville. The words, as quoted, disclose also a looking by the accused not to General Pope, but to General McClellan as his guide, and a reliance upon his exertions and influence to relieve him from his connection with the Army of Virginia, and an expectation, if not a hope, that they would all soon arrive at Alexandria. This, it is true, would involve the discomfiture of that army, but it would also involve the discredit of its commander, and would restore the accused to his former position under General McClellan. Such must have been the anticipation, and such certainly was the result.

In explanation of these dispatches, and with a view to relieve the mind of the impression they tend to make, it was alleged in the defense, and was proved by General Burnside, that they were official in their character, and that the accused had been requested to furnish him information in reference to current military events occurring in connection with the army with which he was serving. So far as the purpose for which they were offered by the Government is concerned, it is wholly immaterial under whose promptings or for what end they were written. If the words make it manifest that the accused entertained feelings of contempt and hostility toward the Army of Virginia and its commander, it matters not whether they were spoken in a private and confidential or in an official communication. The fact, however, that such words are found in a grave and formal official correspondence must serve to show how strong these feelings were, and how difficult it was to repress their utterance.

In reply to what must be regarded as the prevailing sentiment of the language quoted, there was read in the defense a dispatch from the accused to General McClellan—which was not sent—dated September 2, 1862. It is full of fervent patriotism, and of professions of devotion to his duty in connection with the Army of Virginia and its commander. The court undoubtedly gave to this paper the consideration it deserved. Unhappily, it came too late. The Army of Virginia had suffered, in the way of disaster, all that the enemy and the inaction of the accused could inflict upon it; and at the very moment this dispatch was written the field for the "cordial co-operation and constant support" which it promised was being swept away by the order issued that morning for the Army of Virginia to fall back within the intrenchments of Washington, and, of course, under the command of General McClellan.

The testimony furnishes yet other indications of the animus of the accused. General Pope was warned by General Roberts and Lieutenant-Colonel Smith, and by others, that the accused "would fail him." In his frank and unsuspecting nature he seems to have flung the imputation from him. He had not then the light which the pages of the record before you now furnish. When, afterward, on his arrival at Washington, he was informed of the dispatches sent by the accused to General Burnside, his mind appears to have been very differently impressed.

In the afternoon of the 28th of August General Roberts became satisfied that the accused was not doing his duty in good faith to General Pope. He arrived at this conclusion as well from his alleged disobedience of the order to march at 1 a. m. of that morning, as from the declaration of General Kearny. General Roberts had previously held the accused in high estimation, and when mentioning this to General Kearny the latter said that "he (General Roberts) did not know him, and that he would fail General Pope."

Lieut. Col. Thomas C. H. Smith, an aide-de-camp on the staff of General Pope, called on the accused in the afternoon of the 28th of August. He had not heard of his disobedience of any orders, and had, like General Roberts, the most favorable opinion of his character and conduct as an officer; yet, such was the impression made upon him by his manner and conversation, that, at the close of their interview, he left him fully satisfied that he would fail General Pope, and would withhold from him his support in the then pending operations of the Army of Virginia. Soon thereafter he arrived at the headquarters of General Pope, and said to him that he had just seen General Porter on his way there, and that he would fail him, and added: "So certain am I that Fitz-John Porter is a traitor, that I would shoot him to-night, so far as any crime before God is concerned, if the law would allow me to do it." The impression thus expressed he still retains, and reiterated in his testimony. This evidence is of a most striking character, and should be closely examined with a view to the ascertainment of the weight to which the opinion of the witness is entitled. It has been stigmatized in the defense of the accused as "ravings," and as "wild fantasies," which "encumber the record" as "rubbish." Such epithets were not warranted either by the language or manner of the witness. While expressing himself thus forcibly, it was evident that he was a man of fine intelligence, and equally evident that his conscientiousness rendered him careful and guarded in his statements. Certainly the particular impression referred to was deposed to with a depth and solemnity of conviction rarely paralleled in judicial proceedings. Under the pressure of the severe cross-examination to which he was subjected, he endeavored to lay bare the foundations on which his belief of the accused's meditated treachery rested. The task, however, was a difficult one, and he may not have been entirely successful. In reference to a large quantity of ammunition ordered by and forwarded to the accused, but which had not been received, he manifested utter indifference, stating that "it was going where it belonged; that it was on the road to Alexandria, where we are all going"—a favorite thought, as appears from his dispatches. His manner was sneering throughout, whenever allusion was made to matters connected with General Pope; and "his look was that of a man having a crime on his mind." It was physically impossible for the witness to reproduce the manner, the tone of voice, and the expression of the eye, and the play of the features, which may have so much influenced his judgment; yet these often afford a language more to be relied on than that of the lips. He could not hold up before the court, for its inspection and appreciation, the sneer of which he spoke; and yet we know that a sneer is as palpable to the mental as a smile is to the natural vision. It is a life-long experience that souls read each other, and that there are intercommunings of spirits, through instrumentalities which, while defying all human analysis, nevertheless completely command the homage of human faith. Great crimes, too, like great virtues, often reveal themselves to close observers of character and conduct as unmistakably as a flower garden announces its presence by the odors it breathes upon the air. The witness may have misconceived this "look," but from the calamities likely to follow such an act of treachery, if indeed it was then contemplated, it must be admitted as altogether probable that the shadow of such a crime struggling into being would have made itself manifest. In view of the fearful perils which then menaced the Army of Virginia, to which they owed a common duty, is it not passing strange that during this interview the accused uttered not to the witness one word of kindness or cordiality, of encouragement or determination in reference to the sanguinary conflict in which the morrow was to involve them with a common enemy?

With this exhibition of the disposition of the accused toward the service in which he was engaged, I will proceed to review, as briefly as possible, the testimony in its bearing upon the charges and specifications of the record.

The order of General Pope, set forth in the first specification of the first charge,

directed the accused, then at Warrenton Junction, to start at 1 o'clock on the morning of the 28th of August, and to march with his whole corps so as to be at Bristoe Station, distant 9 miles, at daylight. It recited that General Hooker had "had a very severe action with the enemy, with a loss of about three hundred killed and wounded;" that the enemy were retiring along the railroad, and that it was necessary to drive them from Manassas and clear the country between that place and Gainesville. The urgency of the necessity under which the order was issued was further expressed in these words: "It is necessary, on all accounts, that you should be here (Bristoe Station) by daylight. I send an officer with this dispatch, who will conduct you to this place." The order was delivered by the officer referred to (Capt. Drake De Kay) at between half past 9 and 10 o'clock of the evening of the 27th. On delivering it he stated to the accused: "The last thing General Pope said to me, on leaving Bristoe Station was, that I should remain with General Porter and guide the column to Bristoe Station, leaving at 1 o'clock, and that General Pope expected him certainly to be there by daylight." General Hooker's command was out of ammunition, and an attack from the combined forces of Jackson and Ewell was expected early on the morning of the 28th, and hence the urgency with which this prompt and vigorous movement was pressed upon the accused. The order was not obeyed.

The march, according to several of the witnesses, did not begin until daylight. Captain De Kay, who acted as guide, and moved at the head of the column, states that he was waked up just at dawn, and that he breakfasted before the march began. Captain Monteith, called by the accused, when asked if, in point of fact, the march commenced before daylight, replied: "I think it was about dawn of day." General Sykes, also a witness of the accused, deposed that his division led on that morning; that he generally allowed from one and a half to two hours between reveille and the advance; that on the morning of the 28th the reveille was beaten from a quarter to half past 2 o'clock, and that the advance was sounded as soon as they could distinguish the road—thereby evidently referring to the dawn of day. General Pope having been asked whether, on the receipt of certain messages from the accused, the latter was on his march in obedience to the order of the 27th of August, answered:

"I do not know that he was. On the contrary, from a note I had received from him, I did not understand that he would march until daylight in the morning."

While the weight of the testimony is to the effect that the troops did not move forward until daylight, none of the witnesses represent them as having done so earlier than 3 o'clock, and the arrival at Bristoe Station took place, not at daylight, as directed by the order, but at twenty minutes past 10 of the forenoon of the 28th. If our Army—a large part of it without ammunition—had not, in the meanwhile, been fallen upon and beaten, it was not because of any exertions made by the accused to prevent such a catastrophe, but simply because the enemy had not thought proper to make the anticipated attack.

The violation of this peremptory order is sought to be excused, or rather fully justified by the accused on three grounds: First, the fatigue of his troops; second, the darkness of the night; third, the obstructions on the road growing out of breaks and difficult places in it, and the presence of wagon trains in motion.

A part of the troops had marched on the 27th from 17 to 19 miles—the remainder not so far. The command of General Sykes had marched but from 12 to 14 miles. A portion of them did not arrive at their encampment at Warrenton Junction until about sundown—half past 6 o'clock; the others arrived earlier—some of them as early as 10 o'clock in the morning. The generals who advised and participated in the determination not to move at 1 o'clock deposed that their troops were very much exhausted. Had the order been obeyed, the troops reaching their encampment earliest would have had fifteen hours, while those arriving latest would have had six hours and a half for rest. Would not this have been sufficient to prepare them for a march of only 9 miles? Had they reached Bristoe Station at daylight, the march for none of them would have exceeded 28 miles in twenty-four hours, while for a large part of the command it would have been less. Does not the military history of the world show that in great emergencies such forced marches often occur, and that soldiers are fully capable of enduring them?

The early part of the night was starlit, and not unusually dark. At about 11 o'clock the sky became overcast, and the night grew very, or as some of the witnesses express it, "extremely dark," and so continued until morning. It was a darkness, however, not complicated with cold, or rain, or storm. It is a noticeable fact, also, that the determination not to move at 1 o'clock, in obedience to the order, was not occasioned by this extreme darkness, but had been taken before Captain De Kay lay down, which was at 11 o'clock.

The first answer to the position taken in the defense, that in consequence of this darkness it was impossible to obey the order, is found in the testimony of Captain Duryea, who deposes that on the night of the 27th of August he marched with his command from Warrenton, and did not halt until about midnight, and that "he did not experience any unusual difficulties growing out of the night." Maj. F. S. Barstow was also on the march that night until 9 o'clock and was up the following morning before daylight, and says: "I have no vivid recollection of that night beyond other nights. It seemed to me to be very much like other nights on which we moved." He adds that no difficulty was experienced in marching the troops up to the hour at which they encamped. Lieutenant-Colonel Myers, who, as chief quartermaster to General McDowell, had charge of the trains passing over this road on the night of the 27th, states that he was up nearly all that night. He was asked the following question:

"Question. In view of the condition of the road, as you have described it, and also the character of the night, was or was not the movement of troops along that *road practicable* that night?"

He replied:

"I do not know of anything to hinder troops marching along the railroad there. There was a road running each side of the railroad. I should think it would have been easy for troops to move along there, although I may be mistaken in that."

General Reynolds, called by the accused, and who entertained a very strong estimate of the embarrassments in the way of the march of troops on the night of the 27th over the road to Bristoe Station, admitted, on cross-examination, that, dark as was the night, troops could have marched provided they had had a road and a guide to conduct them—both of which the command of General Porter had. General Heintzelman testifies that it was not impossible for troops to have marched over that road on the night of the 27th, but that there would have been a great many stragglers, of which, he said, there are more or less on all night marches. He describes the road as narrow, but "in tolerable good condition."

General Pope was asked this question:

"Question. If there were any obstacles in the way of such a march as your order contemplated, either growing out of the night or the character of the road, will you please state them?"

He answered:

"There was no difficulty in marching, so far as the night was concerned. I have several times made marches with a larger force than General Porter had, during the night. There was some obstruction on the road, in a wagon train that was stretched along the road, marching toward the Manassas Junction, in rear of Hooker's division, not sufficient, in my judgment, to have delayed, for any considerable length of time, the passage of artillery. But even had the roads been entirely blocked up, the railroad track was clear, and along that track had passed the larger portion of General Hooker's infantry. There was no obstruction to the advance of infantry."

There were a very few breaks in the road, but its general condition is shown to have been good. General Pope made the following statement on this point:

"Along the road between Warrenton Junction to Kettle Run, which is, perhaps, 3 miles west from Bristoe Station, the track had been torn up in places; but during the day of the 27th of August I directed Captain Merrill, of the engineers, with a considerable force, to repair the track up to the bridge over Kettle Run, which had been burned. He reported to me on the night of the 27th that he had done so; so that from Warrenton Junction to the bridge over Kettle Run there was no obstruction on the railroad of any description. The bridge to Kettle Run had been burned, but a hundred yards above the bridge the road crossed the creek by a ford. And from there toward Bristoe Station the most of the country, in fact nearly the whole of it, was open country; that is, as I remember the country, riding along on the afternoon of the 27th of August."

General Roberts, who passed from Warrenton Junction to Bristoe Station on the 27th, says: "The condition of the road was good generally;" and in another part of his testimony General Pope used this language: "The road was in good condition everywhere. At most places it was a double road on each side of the railroad track. I am not sure it was a double road all the way; a part of the way I know it was." Captain De Kay states that "the road was good," and Lieutenant Brooks, who was well acquainted with it, that it was "very good." Lieutenant-Colonel Myers was asked:

"Question. What was the condition of the road between Warrenton Junction and Bristoe Station at that time (27th), so far as regards the passage of wagons, artillery, &c.?"

"Answer. It was in excellent condition at that time."

The chief obstructions upon the road, however, and those most elaborately presented by the evidence and argument of the accused, were wagon trains. Captain De Kay thinks that, had the march begun at 1 o'clock, the greater part of these wagons would probably have been in camp, and would thus have been avoided. A part of them are shown to have been on the road throughout the night, and between 2 and 3 o'clock Colonel Cleary found them so jammed as to constitute a serious obstruction for some 3 miles. But even here the railway track was alongside of the road, and could easily have been used by the infantry. For the first 3 miles from Warrenton Junction it was in proof that the road was wholly unobstructed.

Captain Fifield, a witness of the accused, deposed that with one hundred men he could have prevented the jam of the wagons, and that with one hundred and fifty he could have kept the road entirely clear. Why did not the accused detail this force, and at once remove the obstacles which are now relied on to excuse him for this alleged disobedience of orders? The testimony leaves no doubt but that he could have done so, and that every wagon might thus have been taken out of the way of his troops by 1 o'clock. The subject does not appear to have been discussed, or even thought of. It is true that at 12 o'clock on the night of 27th Lieutenant Brinton came from Catlett's Station to Warrenton Junction, and on having an interview with the accused, he spoke to him of the wagons on the road; whereupon accused directed him on his return to have the road cleared. On his arrival at Catlett's Station he told the adjutant "to send out some men to get these wagons out of the way." He does not know that the direction he gave was complied with. This was at 1 o'clock, the hour at which the troops should have been in motion. All the circumstances surrounding this direction on the part of the accused leave the impression that he could not have anticipated from it the removal of the obstacles in his way. It was accidental, and was without vigor or precision, and given at an hour that showed the subject had not been with him one of any solicitude. It is observable, also, that even this feeble and inefficient provision looked to clearing the road, not for a march at 1 o'clock (for all thought of that had been abandoned), but at daylight, or, at earliest, at 3 o'clock.

On the consultation which took place between the accused and his generals when the order was received, the opinion was expressed by the latter (and it has been repeated in their testimony), that nothing would be gained in the way of time by starting at 1 o'clock, instead of a later hour—say 3 or 4. As starting at 3 would require a night march of one hour, and starting at 1 a night march of three hours, this opinion imports a declaration that the troops could march no further in three than they could in one hour, the darkness for the whole period of time being the same. If the opinion referred to a starting at daylight, then it carries with it the assumption that during the three hours, from 1 to 4 o'clock, the troops would have been unable to make any progress whatever, and this notwithstanding the 3 first miles of the road from their encampment is shown to have been entirely unobstructed. Surely these opinions have not been well considered.

There are certain other facts disclosed in the testimony which go far to indicate a settled purpose on the part of the accused to disregard this order of his commanding general. It was couched in terms as strong as a military man could employ in addressing a subordinate; and yet its urgent language was not commented upon, and does not seem to have attracted any attention, as appears from the conversation that ensued between the accused and his generals after its receipt. The accused, as we learn from Captain De Kay, handed it to one of his generals present, saying, "There is something for you to sleep on"—not something that you are to prepare to execute—not something which announces that the army with which we are connected is threatened by great perils, which we must make extraordinary efforts to meet, but "something for you to sleep on." The whole tone of that conversation was to the last degree saddening and discouraging for those who believe that in the prosecution of this war much vigor is much wisdom.

Again: General Griffin, called by the accused, testified that after having marched about a mile with his brigade, he came to a halt, and remained there until two hours after daylight; and the remainder of the forces no doubt did the same. This explains why the arrival at Bristoe Station was not until twenty minutes past 10. No reason that deserves a moment's consideration is given for this long delay. It is true that General Griffin says: "I know the artillery which followed the brigade—that is, a carriage or two of the artillery which followed the brigade—got stuck in the mud or in a little creek, and had trouble in getting out." When more closely questioned as to the cause of the halt, he said: "I halted because I found, when I got to the point where I did halt, that I had only a portion of my brigade with me. In the darkness, by some accident or other, we had become separated, and I halted to get my brigade together. And the artillery, I presume, is what detained us there until we started again. That is my impression. I do not know that positively. General Morell was in command of the division." This may explain the halt, but not the delay until the late hour mentioned. It was in summer, and a season of drought, as appears from the clouds of dust which are continually brought to our notice by the testimony; and we can not be misled as to the amount of obstacle the mud in such a stream, at such a season, would offer to the onward march of soldiers determined to do their duty.

Again: When the forces were in motion there was no haste or vigor displayed. Captain De Kay says "the march was at the rate at which troops would move if there was no necessity for a rapid movement;" and, he adds, "they could have moved faster than they did." General Pope deposed: "I sent back several officers to try and see General Porter, and request him to hurry up and report to me where his troops were, as I was very apprehensive that after day had dawned we should have an attack upon us from the enemy. I think they all returned. The report made to me was that General Porter was coming along very slowly, and was pushing the wagons out of the road."

Whatever may be thought of the difficulties in the way of the night march required by this order, it was the manifest duty of the accused to make a sincere and determined endeavor to overcome them. If, after having promptly and vigorously made this effort, and started as ordered, he had failed to arrive at Bristoe Station at daylight, either from the exhaustion of his troops, the darkness of the night, or the character of the road, the responsibility of the failure would not have been charged upon him. The contemptuous and unfriendly feelings disclosed in the dispatch to General Burnside—which was written but about five hours and a half before this order was received—will probably furnish a more satisfactory solution of the question why this effort was not made than can be found in the nature of the obstacles themselves.

Nor is it believed that the conduct of the accused finds any shelter in the Napoleonic maxim quoted in the argument for the defense. The discretion it allows to a subordinate, separated from his superior officer, is understood to relate to the means, and not the end of an order. When the accused determined that, instead of starting at 1 o'clock, he would start at 3 or 4, he did not resolve that he would arrive at Bristoe Station by daylight in a different manner from that indicated by his commanding general, but that he would not arrive there by daylight at all. In regard to this—the end of the order—he had no discretion.

The order set forth in the second specification to first charge was addressed to Generals McDowell and Porter, jointly, and a copy, or, rather, duplicate, of it was delivered to each of them, it may be inferred from all the evidence on the point, at about 10 o'clock in the morning of the 29th of August. Previously to this they had met with their forces, and, under the sixty-second article of war, General McDowell had assumed the command. The order directed them to move with their joint command towards Gainesville until they should effect a communication with the forces of Heintzelman, Sigel, and Reno, and then to halt, taking care to occupy such a position that they could reach Bull Run that night or by the morning of the following day. The order contained these further words: "If any considerable advantages are to be gained by departing from this order, it will not be strictly carried out." At the time this order reached Generals McDowell and Porter they were on the road between Manassas Junction and Bethlehem church, and were proceeding in the direction of Gainesville, as the order contemplated. The order being issued to them jointly showed that it was the purpose of General Pope that they should act independently of each other, and each in direct subordination to himself; and he testified that such was his intention. Under these circumstances, it may be well questioned whether, under the sixty-second article of war, General McDowell could continue the command which he had assumed over their joint forces. That article excludes the idea of the presence of an officer superior in rank to those commanding the different corps of which it speaks. In this case General Pope was absent but a few miles—was in fact occupying the same field of military operations with Generals McDowel and Porter, and claimed to decide the question (which it certainly belonged to him to determine) that these generals were so far in his presence that he might command them directly, and not through each other.

Their forces continued their march—those of the accused being in the advance—until the front of his column had reached some three miles beyond Bethlehem church, and until a small part of General McDowell's command had passed that point. General McDowell then rode forward to the head of the column of the accused, where an interview and conference took place between them, to which reference is frequently made in the testimony. They discussed the joint order, and General McDowell determined, for himself, that there were "considerable advantages to be gained by departing from it," and by moving with his forces along the Sudley Springs road toward the field of a battle then being fought by the main army of General Pope, at the distance of three or four miles. His purpose was to throw himself on the enemy's center, and he wished the accused to attack his right flank. He therefore said to him: "You put your force in here, and I will take mine up the Sudley Springs road, on the left of the troops engaged at that point with the enemy;" and he left him, at about 12 o'clock, with the belief and understanding that he would put in his force at that point. Why this expectation was doomed to disappointment may possibly be gathered from the following extract from General McDowell's testimony as to what occurred during his conversation with the accused:

"Q. You have said that the accused made an observation to you which showed that he was satisfied that the enemy was in his immediate front. Will you state what that observation was?

"A. I do not know that I can repeat it exactly, and I do not know that the accused meant exactly what the remark might seem to imply. The observation was to this effect (putting his hand in the direction of the dust rising above the tops of the trees): 'We can not go in there any where without getting into a fight.'

"Q. What reply did you make to that remark?

"A. I think to this effect: 'That is what we came here for.'"

These words will certainly stand in memorable contrast with the sad utterance to which they were a reply.

General McDowell, on parting with the accused, ceased to exercise any authority over his command, and he was thus left untrammeled and in possession of the joint order still in full force. Soon after General Griffin's brigade—a part of the corps of the accused—was ordered to move to the right, as if for the purpose of advancing on the enemy, as directed by General McDowell. It had proceeded, however, only about 600 yards, when, coming into "some small pine bushes," and somebody saying there were obstacles ahead, a retreat was ordered, and they fell back to their original position. General Griffin saw no obstacles himself, and he made no reconnaissance. This was all that was done toward carrying into effect the stirring and soldierly direction of General McDowell.

Some time after this faint demonstration—it may have been an hour or more, General McDowell having left at about 12—a rebel battery threw three or four shot at the head of the accused's column. It was at once replied to and silenced, and then came the order to fall back, of which Col. B. F. Smith, who witnessed the artillery firing, speaks so distinctly. The note of the accused to Generals McDowell and King, which was read in evidence and is without date, must have been written immediately after this artillery firing, and after the order to retreat which followed it. It is in the following words:

"Generals McDowell and King: I found it impossible to communicate by crossing the roads to Groveton. The enemy are in strong force on this road, and as they appear to have driven our forces back, the firing of the enemy having advanced and ours retired, I have determined to withdraw to Manassas. I have attempted to communicate with McDowell and Sigel, but my messengers have run into the enemy. They have gathered artillery and cavalry and infantry, and the advancing masses of dust show the enemy coming in force. I am now going to the head of the column to see what is passing and how affairs are going. Had you not better send your train back? I will communicate with you.

"F. J. PORTER, *Major-General.*"

This note appears to have been written for the purpose of explaining why the accused had not "put his force in" at the place which General McDowell had pointed out. It announces most energetically a determination "to withdraw"—*i. e.*, retreat—to Manassas, because of the approach of the enemy, and because the battle seemed to be going against the Federal forces. That this purpose was promptly carried out, substantially, if not to the letter, is made evident from the fact that at between 5 and 6 o'clock the accused was found at or near Bethlehem church, surrounded by his troops, whose arms were stacked. It is further proved by Col. B. F. Smith, who was in the front at the time of the artillery firing, and alleges that he and the troops of his command then fell back, under orders, to within a mile or two of Manassas, where they passed the night, having arrived there in the afternoon. It is yet further shown by General Griffin, examined by the accused, who says his brigade retreated from a mile and a half to two miles. This retrograde movement might have been excused had it been made in good faith for the purpose of reaching Bull Run that night; but no such purpose was entertained, nor has it been insisted that it was, either by the testimony or the argument. General McDowell says the accused might have attacked the enemy and would have still had ample time for falling back on Bull Run. Indeed, as appears from the map, such an attack would have been an advance in the direction of Bull Run. He might have found justification, too, for this step, had it been taken from a conviction that, in the sense of the order, "considerable advantages" were to be gained by departing from its terms. No such position, however, could be successfully taken in the defense. The only "advantages" which the retreat promised were the personal safety of the accused and staff, and the exemption of his troops from any participation in the sanguinary battle then being fought immediately to his right. Surely such advantages as these, purchased, as they were, at the imminent hazard of the sacrifice of the whole army, were not those contemplated by the order. The advance of the accused, either along the Gainesville road or to the right, would have brought him into conflict with the enemy. The court concluded, and justly, that his falling back, under the circumstances and for the purpose mentioned in his note to Generals McDowell and King, was a violation of the joint order to himself and General McDowell.

It would seem, also, to have been a manifest violation of the duty resting on him as a soldier, in the position in which he was placed, without reference to any specific order or direction leading or directing him to engage the enemy. In forward, aggressive movements it is an established principle of military science that the column shall be so held in their advance as to be ready to afford mutual assistance in time of need. Another elementary principle of such movements is that, in the absence of positive restraining orders, the march shall always be toward the sound of the guns—thus confirming the sentiment of the words of General McDowell, that it is the soldier's mission to fight. Both these fundamental rules of the military profession were disregarded in the retreat of the accused. He fell back precisely at the moment that the obligation to co-operate which was pressing upon him required him to advance, and his march was not toward, but from, the sound of the enemy's cannon.

The order of 4.30 p. m., August 29, directed the accused "to push forward into action at once on the enemy's right flank, and, if possible, on his rear." It was not obeyed, nor was any attempt made to obey it.

It was claimed in the defense that the accused should not be condemned for this disobedience: first, because the order was received too late to be obeyed, and secondly, because obedience to it was impracticable in consequence of the presence of the enemy in overwhelming force, and in consequence of the character of the country over which the movement would have to be made.

There is a decided conflict in the testimony as to the hour at which the order was received. It bears date 4.30 p. m., and Captain Pope, the staff officer who bore it, says that he proceeded direct from General Pope to the accused, and delivered it "as early as 5 o'clock, or probably three or four minutes after 5." Charles Duffee, the orderly who accompanied him, testifies that they left General Pope at about half past 4, and went on to the headquarters of the accused at a pace "about as fast as they thought their horses could travel." He thinks about an hour was occupied on the road, and that the order reached the accused at about half past 5. These statements are corroborated by the evidence of General McDowell as to the time and place at which he met them, and read the order. General Pope says: "I know that an aid-de-camp, riding rapidly, could go from the field of battle to Manassas Junction, or to any point west of Manasses Junction, on the Gainesville road, if he found General Porter in advance of Manassas Junction, within an hour, by going at speed." General Roberts, who was present when the order was issued, expressed the opinion that it should have been delivered "in half an hour or less, as orders are generally carried on such occasions." Adopting the latest estimate—that of General Pope and the orderly—this would give the accused two hours of daylight within which to make the attack.

On the other hand, there are five witnesses introduced by the accused—three of them being his staff officers—namely: General Sykes, Lieutenant-Colonel Locke, Captain Monteith, Lieutenant Weld, and Lieutenant Ingham—who depose that the order was not received until about sundown. One of them, indeed, though he is not supported by the others, fixes the hour much later. If, in ascertaining the value of testimony, witnesses were counted, and not weighed, the question would be at once settled by the relative numbers as given. Such, however, is not the rule of law, and it may be that after carefully considering all the circumstances, the court felt that the explicit and intelligent statements of Captain Pope and his orderly, fortified by the corroborative evidence of Generals Pope, McDowell, and Roberts, were not overcome by the opinions of the five officers named. There was, outside of the positive testimony, a consideration strongly supporting this view, and it is this: There is no question as to the time at which Captain Pope left with the order; it was at 4½ o'clock; he rode as fast as his horse could carry him, and had but about 5 miles to travel; and yet, according to the theory of the defense—that he did not arrive until sunset, or half past 6—he was two hours on the way. Is it credible that a staff officer, bearing an important order, in the midst of a fiercely contested battle, would have traveled at this rate; and this, too, when he was conducted by an orderly acquainted with the road, and encountered no obstable to his progress? Is it not much more probable that but a single hour was occupied, and that, in point of fact, he arrived at half past 5?

Conceding, however, for the sake of the argument, the position taken by the defense, that the order was not received until sunset, this would have left the accused an hour of daylight within which to make the movement. The enemy had been so far encouraged in their advance by the inaction of the forces of the accused, and by their falling back, that at this late moment the front of his column was not separated from the advance of the rebels by more than a mile or a mile and a half. But little time, therefore, was required to make the attack. It is admitted that it was not made; but was there any earnest or vigorous effort on the part of the accused to obey the order? Colonel Locke states that soon after the receipt of the order from General Pope, he bore one from the accused to General Morell, directing him to engage the enemy—which, as appears from the statement of Colonel Marshall, was to be done with but four regiments; but General Morell testified that before there was time to carry this order into execution—say within about half an hour after its receipt—it was countermanded by another, directing him to pass the night with his troops where he was. This was all that was done toward attacking the enemy; and yet General McDowell testified that an attack even at this late hour—indeed, at any hour before the battle closed, which was at dark—would have resulted in a victory for our arms.

There is one fact—probably the most remarkable one disclosed by the record—which must have impressed the court as going far to manifest the true spirit of the conduct of the accused on this occasion. The forces of General Morell were in the front, and those of General Sykes were immediately in their rear, and supporting them. In the progress of any determined movement against the enemy, therefore, the command of General Sykes would be necessarily involved, and the presence of that general would be required; yet General Sykes states that he was with General Porter when the order from General Pope was received, and when that to General Morell was sent; that he remained with him all the evening and night; and that he never heard that an order to attack the enemy had

been received from General Pope, or had been forwarded to General Morell.* What conclusion is necessarily drawn from this? If the accused had seriously determined that the order to General Morell should be executed, would he not have apprised General Sykes of its character, and directed him to proceed at once to his command? When we add to this the feebleness of the attack directed—being but with four regiments—and the further fact that the order was revoked before it was possible to make the movement, can we escape a painful impression that the order itself was issued without any expectation that it would, or any purpose that it should, be obeyed?

There is yet one other fact presented in connection with this order which deserves a passing notice. Captain Pope found the accused with his troops halted, and the arms of some of them stacked. After delivering the order, and during his stay of fifteen or twenty minutes, he did "not observe any orders given, or any indication of preparation for a movement in the direction of the battle-field." On his return, nearly an hour afterward, the same condition of things existed. The following extract from the testimony of Mr. Duffee, who accompanied Captain Pope, will yet further illustrate the absence of all anxiety, if not of all interest, on the part of the accused:

"Question. Did you see the order delivered into the hands of General Porter?

"Answer. Yes, sir; I saw him take the order from Captain Pope.

"Q. Was he in his tent or out of doors?

"A. He was lying down under a shade tree when he took the order.

"Q. Did he change his position on reading the order, or did he continue to lie down?

"A. I can not state positively whether he rose to his feet or not; but at the time he was reading the order I noticed that he was lying in this position on the ground [describing him as resting on his elbow, his head upon his hand].

"Q. Did you leave him lying down on the ground when you came away?

"A. Yes, sir."

The accused had, for between five and six hours, been listening to the sounds of the battle raging immediately to his right. Its dust and smoke were before his eyes, and the reverberation of its artillery was in his ears. He must have known the exhaustion and carnage consequent upon this prolonged conflict, and he had reason to believe, as shown by his note to Generals McDowell and King, that our army was giving way before the heavy re-enforcements of the enemy. He had a command of some thirteen thousand fresh and well-appointed troops, who had marched but a few miles, and had not fought at all on that day. Under these circumstances, should not an order to charge the enemy have electrified him as a soldier, and have brought him not only to his feet and to his saddle, but have awakened the sounds of eager preparation throughout his camp? But the bugle-note of this order seems to have fallen unheeded; and after reading it, and at the close of an interview of from fifteen to twenty minutes, the messenger who bore it turned away, leaving the accused still "lying on the ground."

There is some contrariety in the evidence as to the force of the enemy by which the accused was opposed. The weight of the testimony is that it was small—decidedly so in the early part of the afternoon, when the attack directed by General McDowell should have been made. General Roberts thinks there was only a cavalry force, with some light artillery. Col. B. F. Smith, who was at the head of the column at the time the rebel battery was silenced, and who fell back with his command half an hour afterward, noticed clouds of dust beyond the trees, but whether there were troops advancing or moving in another direction he could not tell. He saw nothing to induce him to believe that they were retreating before the enemy, but supposed that they had been making a reconnaissance in force, and having completed it were falling back for some other duty. General Griffin, a witness for the accused, who was also at the front, and enjoyed every opportunity of observation, having been asked as to the position of the enemy in relation to General Porter's corps, between 5 and 7 o'clock of the 29th, replied: "It is a hard question to answer. I do not know much about the enemy; I only know that during the day large clouds of dust were going to our front and to our left, from a point stated to us then to be Thoroughfare Gap. The batteries which opened upon us at 1 o'clock were within 1,200 or 1,500 yards of us. We saw no force at all; we saw scattering groups of horsemen or of infantry. I do not believe we saw in any one group over forty men."

Major Hyland, who belonged to Colonel Marshall's regiment of skirmishers, and was some 800 or 1,000 yards in advance of General Morell, says the enemy began to form in his front and to the right between 2 and 3 o'clock. He saw none to the left. Thinks the force was very large, and although unable to give even a proximate estimate of their numbers, believes they were strong enough to have resisted an attack of General Porter's corps. Second Lieutenant Stevenson supposed the enemy's forces to consist of from twelve to fifteen thousand; but he was a young man, with limited experience, and when he stated that the enemy's line of battle was but a mile long, it was sufficiently evident that a large abatement was to be made from his estimate. Colonel Marshall set the enemy's troops down at twice the number of the corps of the accused. It is obvious, however, that he was largely influenced in forming this opinion from the clouds of dust, which may have arisen as much from the movement of ambulances and wagons as from the march of troops. He states that they came from toward Thoroughfare Gap, and separated into two columns, one of which proceeded in the direction of the battlefield at Groveton, and the other came down on the Gainesville and Manassas road. Now, we learn from General Buford that the enemy's forces passing through Gainesville that day from Thoroughfare Gap, and, counted by himself, did not exceed fourteen thousand men, and dividing these into two columns, it is believed that at no time on the 29th could the accused have been confronted by a rebel force exceeding seven thousand—a little more than half the strength of his own corps. The strong probability is that the force was not so large; but supposing the enemy to have had quite as large a force as his own, was that a reason why he should not make the attack, seeing that a severely contested battle was then pending?

The course of the inquiry on the part of the defense would seem to imply an impression that the accused could not attack the right flank because he found an enemy in his front, and could not attack the front because the order was to engage the right. A dead-lock, however, in military movements could scarcely be suffered to be produced by such a process as this. General McDowell solves this question by saying that if the enemy's forces were posted in the front of the accused in the manner indicated by the witnesses, they must have constituted his right flank, so that a movement in that direction would have been a literal compliance with the order.

A conclusive reply to the suggestion that the ground between the enemy and the accused was impracticable for military movements is found in the testimony of Lieutenant-Colonel Smith. He says: "I infer, that the corps of the accused could have moved up, its right wing joining with the forces engaged, and have flanked the enemy. This is not all an inference merely from the general character of the country. It is based also on the fact that that portion of the country over which, as I understand it, the corps of the accused would have moved upon the enemy, *was sufficiently practicable to enable the enemy, as they did, to make a similar movement on our left on the next day.*"

Some of the witnesses of the accused declare that artillery could not have passed over this ground, while others testified that infantry could not have been marched through the woods in any order. Under a cross-examination, however, the obstacles on which these opinions were based were much reduced in the attempt to enumerate them. The general description of the country given is that it is open, with fields and woods and occasional ravines, but not remarkable for its ruggedness. There were no impassable streams, or morasses, or precipices. General McDowell deposed that he did not consider that there were any insuperable obstacles "in the way of the advance on the part of General Porter's command upon the flank of the enemy;" and he proved the sincerity of this opinion by directing him to make the movement. After reciting in detail certain facts leading to this belief, he thus concludes: "These movements by these two divisions of my corps, my own movements, and the movements of the enemy, give me the belief that troops could move through the country comprised between the Warrenton turnpike and the Sudley Springs road and the road from Bethlehem church to Gainesville. I will mention, further, that that country is a mixture of woods, cleared ground, and hills, and that it is easy for troops to march without being seen or seeing the enemy." A glance at the map which accompanies the record will show that the ground in question is embraced by this boundary and description.

It may be admitted—and perhaps the testimony requires the admission to be made—that in falling upon the enemy on the afternoon of the 29th the accused would have encountered both difficulty and danger; but difficulty and danger, in time of war, are daily and hourly in the category of the soldier's life. Their presence should be for him not a discouragement, but an inspiration. To grapple with them should be his ambition; to overcome them, his glory.

That a vigorous attack upon the enemy by the accused, at any time between 12 o'clock, when the battle began, and dark, when it closed, would have secured a triumph for our arms, and not only the overthrow of the rebel forces, but probably the destruction or capture of Jackson's army, the record fully justifies us in maintaining.

This opinion, in effect, is emphatically expressed by Generals Pope, McDowell, and Roberts, and by Lieutenant-Colonel Smith, all of whom participated in the engagement, and were well qualified to judge. General Roberts, who was on the field throughout the day, says: "I do not doubt at all that it would have resulted in the defeat, if not in the capture, of the main army of the confederates that were in the field at that time." To the same effect is the following explicit language of General Pope: "Late in the afternoon of the 29th—perhaps toward half past 5 or 6 o'clock—about the time that I hoped General Porter would be in his position and assaulting the enemy on the flank, and when General McDowell had himself arrived with his corps on the field of battle, I directed an attack to be made on the left of the enemy's line, which was handsomely done by Heintzleman's and Reno's corps. The enemy was driven back in all directions, and left a large part of the ground, with his dead and wounded upon it, in our possession. Had General Porter fallen upon the flank of the enemy, as it was hoped, at any time up to 8 o'clock that night, it is my firm conviction that we should have destroyed the army of Jackson." Even had the attack itself failed, General McDowell states that the number of troops which would have been withdrawn from the main battle by the enemy to effect this result would have so far relieved our center as to render our victory complete. When we recall the calamities already suffered by our country, and contemplate the untold griefs to the homes and hearts of its people which may yet follow from the escape of that army on that day, we can appreciate with some approach to accuracy the responsibilities incurred by a line of conduct which so certainly and so fatally led to that disaster.

The first, second, and third specifications of the second charge arraign the conduct of the accused on the 29th, under the fifty-second article of war, as "misbehavior before the enemy." If a soldier disobeys the order of his superior officer before the enemy he commits a double crime, by violating both the ninth and fifty-second articles of war, and he may be prosecuted and convicted of either or both offenses. So any other breach of duty, connected with military movements and occurring in the presence of the enemy, has assigned to it by the articles of war a depth of criminality which would not belong to it under other and ordinary circumstances. This results from the increased disaster likely to follow from misconduct in such a conjecture, and from the fact that insensibility to duty is doubly criminal when displayed in the midst of those dangers which ever inspire the true soldier with renewed devotion to the honor and interests of his flag. The accused is shown to have been, with his command, in the presence of the enemy, from the beginning to the end of the battle of the 29th—a period of at least seven and a half or eight hours. His troops were fresh and well equipped; and that from his position he was bound to have taken part in the engagement, and that his failure to do so was to the last degree culpable, can not be denied, unless it can be made to appear that he was restrained by some uncontrollable physical necessity, or by some positive order of his commanding general. The attempt has been made to justify his conduct on both grounds. The examination already made of the testimony warrants the conviction that the material obstacles in his way, growing out of the proximity and strength of the enemy and the nature of the country, were not sufficient to excuse his inaction. His chief of staff, however, Lieutenant-Colonel Locke, called by the defense, deposed that in the afternoon of the 29th he bore a message from the accused to General King, whom he found near Bethlehem church with General McDowell; that General McDowell sent back by him to the accused a reply in the following words: "Give my compliments to General Porter, and say to him that I am going to the right, and will take General King with me. I think he (General Porter) had better remain where he is; but if it is necessary for him to fall back, he can do so upon my left;" and the witness testified that he regarded this as an order, and communicated it to the accused—and this, it is insisted, restrained him from attacking the enemy.

In the first place, it is to be remarked that this language does not import an order, but simply a suggestion and counsel from one companion in arms to another. Again, General McDowell was not then in a condition to command the accused, and this both he and the accused must have well known. They were separated from each other, and were not, in the terms of the sixty-second article of war, "joined or doing duty together." General McDowell was proceeding at the moment, with his forces, upon an entirely distinct service from that in which the accused was engaged. But the whole of Lieutenant-Colonel Locke's statement in regard to this message was swept away by the evidence of Generals McDowell and King. The witness had stated that the message was given to him in the presence of General King, and was heard by him. General King, however, testified that he was not with General McDowell at all after the morning of the 29th, and that he heard no such message; while General McDowell declared that none such was sent by him. It is further urged in the defense, that although the evidence may thus fail to show that such a message was sent, yet that it was delivered to the accused and he was justified in obeying it. This position is assumed in disregard of the maxim "*falsum in uno, falsum in omnibus.*" The same witness who deposed to the receipt of the message from General McDowell deposed to its delivery to the accused, and in neither point was he supported by the testimony of others. Having been discredited as laboring under a complete misapprehension in regard to the first, this discredit necessarily attaches to the second, and, under the maxim quoted, his entire statement falls to the ground.

But even if it had been established that this message had been sent and received

*The troops of General Sykes extended along the road from those of General Morell toward, and, may be, to where General Porter was. It is not, therefore, intended to intimate that, in being with General Porter at the moment, he was out of place; but to say that had it been General Porter's purpose that his order to General Morell to engage the enemy should be vigorously carried out, he would, from General Sykes's necessary relation to the movement, have advised him of it, and have directed him to go forward and prepare for performing his part in its execution.

and that it was in form an order, and given by proper authority, still it is not claimed that it reached the accused before about 3 o'clock. This would leave his inaction, from 12 to 3 o'clock, in the presence of the enemy and in the midst of a battle, unexplained, and therefore unpalliated in its culpability by anything that is contained in the record.

Although that portion of the defense which would justify the inaction of the accused because of the enemy and of the difficult nature of the ground in his front and to his right has been commented on, it may not be inappropriate to add that history shows these obstacles to be insignificant as contrasted with those which have been often in great emergencies overcome by military commanders. The battle of Hohenlinden furnishes an illustration, and in one respect bears a striking analogy, while in another offering a remarkable contrast to the events of 29th August. A few extracts from Thier's History of the Consulate and the Empire, vol. 1, pp. 217–19, Lippincott & Co.'s edition of 1861, will suffice to show the appositeness of the reference.

Moreau, with sixty thousand French troops, was met by an Austrian army seventy thousand strong. "Richepanse and Decaen's divisions," says the historian, "were sent by Moreau an order, somewhat vaguely expressed, but positive, to throw themselves from the right-hand to the left-hand road, to get into the latter, into the environs of Maltenboet, and there surprise the Austrian army, entangled in the forest. He neither indicated the route to be pursued, nor provided against accidents which might occur. He left everything that was to be done to the intelligence of Richepanse." "At length, as the battle progressed, a wavering was observed in the Austrian troops of the center, which proved to be Richepanse falling on their rear." "He had started without waiting for Decaen and daringly penetrated into that tract of thickets and ravines which separated the two roads, and marching while the fight was going on at Hohenlinden, and making incredible efforts to drag with him over that inundated ground six pieces of small caliber." "Richepanse, reckoning upon Decaen to extricate Drouet's brigade, had marched without losing a moment for Maltenboet, for his military instinct told him that was the decisive point. Though he had left but demi-brigades of infantry, the Eighth and Forty-eighth, a single regiment of cavalry, the First Chasseurs, and six pieces of cannon, with about six thousand men, he had continued his march, dragging his artillery by hand almost always through the quagmire." "He then fell to the left and took the bold resolution of falling on the Austrian rear in the defile of the forest." "Marching, sword in hand, amidst his grenadiers, he penetrated into the forest, sustained, without flinching, a violent discharge of grape-shot, then fell in with two Hungarian battalions which hastened to bar up his passage. Richepanse would have inspirited his brave soldiers with words and gestures, but they had no need of them. 'Those fellows are our prisoners,' cried they; 'let us charge.' They charged accordingly, and completely routed the Hungarian battalions. Presently they came to masses of baggage, artillery, infantry, accumulated pell-mell at this spot. Richepanse struck inexpressible terror into this multitude, and threw it into frightful disorder. At the same moment he heard confused shouts at the other extremity of the defile. It was Ney, who, advancing from Hohenlinden, had penetrated by the head of the defile and pushed before him the Austrian column which Richepanse was driving the other way by attacking it in the rear." A complete route of the Austrian army ensued. Its loss was some twenty thousand men, with nearly all its artillery and baggage, and "what," as the historian observes, "was of still greater importance, its moral courage." "This battle," continues M. Thiers, "is the most brilliant that Moreau ever fought, and certainly one of the greatest in the present century, which has beheld such extraordinary conflicts."

What were the difficulties that appalled the accused on the 29th as compared with those surmounted by Richepanse with but 6,000 men? This example is an impressive proof what a general can and will achieve when his heart is in his work, and when he finds himself in the presence of the enemies of his country. General McDowell, as a soldier and a commander, deposed that it was the duty of the accused to have attacked the enemy on the 29th, and it would seem this duty was so manifest, and so clearly the result of his position, that no order to that effect could have added much, if anything, to its force and urgency. What General McDowell prescribed for his associate in arms he unhesitatingly accepted for himself. He had no summons to arouse him, and no guide to conduct him, but the sound of the cannon, following which he, with his command, found his way to the battlefield, where his instincts as a soldier told him both his duty and his honor required him to be. And it is, no doubt, to his timely arrival and active participation in the conflict that we are largely indebted for General Roberts's declaration that at the close of the day the advantages were decidedly on the side of the Federal troops. Had the accused, obeying the same impulse that carried General McDowell up the Sudley Springs road, made a movement upon the enemy with the vigor and heroism which the occasion demanded, it is altogether probable that the glory of Richepanse would have been his, and the fate of the Austrians that of the rebel army. After carefully considering all the impediments which have been so elaborately arrayed as in the way of the accused on the night of the 27th and throughout the day of the 29th, we can not but realize that they shrink away and are scarcely to be named beside those obstacles of darkness, and tempest, and snow, and morass, and Alpine precipices, and frowning batteries which the warriors of other times and lands have unhesitatingly confronted and bravely overcome.

But there is one feature of the inaction of the accused on the 29th which it is especially sorrowful to contemplate. How, unrestrained as he was, and with the cannonade of the battle in his ears, and its smoke and the dust of the gathering forces before his eyes, he could, for seven and a half or eight hours, resist the temptation to plunge into the combat it is difficult to conceive. But this alone is not the saddest aspect in which his conduct presents itself. This aspect is distinctly set forth in the third specification of the second charge. Colonel Marshall states that from the cheerings and peculiar yells of the enemy, heard on the evening of the 29th, he and every man of his command believed that General Pope's army was being driven from the field. General Morell also says that from the sound of the artillery the battle seemed to be receding, which indicated that it was going against the Federal forces. The accused, in his note to Generals McDowell and King, speaking of the enemy, says: "As they appear to have driven our forces back, the firing of the enemy having advanced and ours retired, I have determined to withdraw to Manassas;" and in further justification of this step he adds: "They have gathered artillery and cavalry and infantry, and the advancing masses of dust show the enemy coming in force." In the afternoon, then, of the 29th, it is clear that the conviction was entertained by the accused and his officers that our forces were being driven before the enemy—a conviction which, in tones above even the roar of the artillery, should have appealed to his soldier's heart to rush to the rescue; but, heedless of the summons, he turned, not toward, but away, from his struggling companions in arms, in the direction of Manassas.

Must we seek an explanation of this want of sympathy with the brave men who were doing battle that day in the feelings, as shown by his dispatches, which unhappily possessed him in reference to the Army of Virginia and its commanding general? That army, as he seems to have been aware, was sent forth not to capture Richmond or to occupy the South, but simply to harass and baffle the march of the advancing masses of the enemy, while the Army of the Potomac was being extricated from the perils that surrounded it on the Peninsula—a service which should not have provoked a sneer from the accused. It can not be improper to add, what the record will sustain me in saying, that, so far as light is shed upon the subject by the testimony, the Army of Virginia appears to have nobly performed the arduous and perilous work committed to its hands. Its campaign was brief, but marked by signal vigor and ability, and animated by a spirit which, shrinking from neither toil nor exposure nor danger, bravely struck the enemy whenever and wherever it could be found.

The accused presents two general grounds of defense, which apply to all the accusations against him. They are—first, his general reputation for zeal and loyalty; and, secondly, the expression of satisfaction with his conduct which General Pope is alleged to have made at Fairfax Court-House on the 2d of September.

In reference to the first, the testimony is full and earnest as to his former services and character for faithfulness and efficiency as an officer. The law admits such proof in criminal prosecutions, because a presumption of innocence arises from former good conduct as evidence by general reputation. The presumption, however, is held to be entitled to little weight except in doubtful cases. Where it comes into conflict with evidence that is both positive and reliable it at once gives way.

In regard to the second, Colonel Ruggles testified that at the close of a conversation on the 2d of September, at Fairfax Court-House, between General Pope and the accused, the General expressed himself satisfied with his conduct, referring, as the witness believed, to the transactions on which the present charges are based. Colonel Ruggles admits, however, that he was not a party to the conversation; that he heard it only in scraps, and endeavored not to hear it at all. General Pope, on the other hand, deposed that he was not satisfied, and could not have been; and that the expression heard by Colonel Ruggles related to explanations made by the accused as to certain disparaging telegrams which he was understood to have sent to General Burnside. In view of the relation of these two officers to the conversation, the court, of course, could not hesitate to accept the version of General Pope as the true one. Even if General Pope had declared himself satisfied, it would not have affected the status of the accused before the law. His responsibility was to his Government and country, and not to the commanding general. Nor can any presumption arise against this proceeding from the failure of General Pope to prefer charges against the accused. It was his privilege to prefer them, but he was not bound to do so. He discharged his whole duty when, in his official report, he laid these transactions before his Government for its consideration.

This case has been most patiently investigated. If, in war, and in the midst of active hostilities, any government has ever devoted so long a period of time—some forty-five days—to the examination of a military charge, it has not come to my knowledge. The court was not only patient and just, but liberal, and in the end everything was received in evidence which could possibly tend to place the conduct of the accused in its true light. It is not believed that there remains upon the record a single ruling of the court to which exception could be seriously taken.

The case is important, not only because of the gravity of the charges and the dignity of the officer arraigned, but also because of the fact that it involves a principle which lies at the very foundation of all discipline and of all efficiency in military operations—the principle of military obedience. A standard author, treating on this branch of jurisprudence, says: "Hesitancy in the execution of a military order is clearly, under most circumstances, a serious offense, and would subject one to severe penalties; but actual disobedience is a crime which the law has stigmatized as of the highest degree, and against which is denounced the extreme punishment of death." (De Hart, page 165.) The same author continues: "In every case, then, in which an order is not clearly in derogation of some right or obligation created by law, the command of a superior must meet with unhesitating and instant obedience." So vital to the military system is this subordination of will and action deemed that it is secured by the most solemn of human sanctions. Each officer and soldier, before entering the service, swears that he "will observe and obey the orders of the officers appointed over him;" and it is from this, probably, that the offense of disobedience derives much of the depth and darkness of the criminality with which it is stamped by the Articles of War. Obedience, indeed, is the very jewel of the soldier's life. It adorns him more even than laurels, which are so often plucked by unholy hands. The soldier who has given to the order of his superior officer a prompt, an earnest, a heartfelt support, has triumphed in the field of duty, even though he may have fallen on the field of arms.

The offenses for which the pleadings and testimony arraign the accused are the very gravest that a soldier can possibly commit—being neither more nor less than the willful violation of the orders of his commanding general in the midst of momentous and perilous military movements, and the shameful abandonment of a struggling army which it was his solemn duty to support, in the very presence of the enemy and under the very sound of his artillery. The court was careful to give to the accused the benefit of all well-founded doubts that arose in their minds in reference either to the fact of disobedience or in reference to the measure of criminality that prompted it; and hence they found him not guilty of the fourth and fifth specifications of first charge; and in the same spirit the fourth specification of second charge was withdrawn. While, however, the court felt that of crimes such as these no officer should be convicted but upon the clearest and most convincing proof of his guilt, they must also have felt that the honor of the profession of arms and the most enduring interests of our common Government and country imperatively demanded that there should be no acquittal when that proof had been made.

J. HOLT, *Judge-Advocate-General.*

To the PRESIDENT.

Mr. BRAGG. I shall object to the printing of the argument of Judge-Advocate-General Holt in the RECORD.

The CHAIRMAN. The Chair hears no objection to printing——

Mr. BRAGG. I object to the printing of the argument of Judge Holt.

The CHAIRMAN. There is objection to printing in the RECORD the argument of Judge Holt.

Mr. KELLEY. May I have as much of it as possible read in the time that can be spared?

Mr. NEGLEY (to Mr. KELLEY). Go on, Judge, I will give you ten minutes of my time.

The CHAIRMAN. The time belongs to the gentleman from Michigan [Mr. BURROWS].

Mr. NEGLEY. There are ten minutes reserved belonging to me.

The CHAIRMAN. The Chair has recognized the gentleman from Michigan.

Mr. KELLEY. I am aware that the time belongs to the gentleman from Michigan.

Mr. STEELE. I would like to raise a point of order. The gentleman from Pennsylvania [Mr. KELLEY] asked leave, and no objection was made at the time. I claim that objection now comes entirely too late.

Mr. CUTCHEON. The gentleman from Pennsylvania asked leave pending his argument.

Mr. KELLEY. I opened my argument with a request for leave——

Mr. BRAGG. No, sir.

Mr. KELLEY. However, I can better afford to have it excluded on the objection of the gentleman from Wisconsin than he can.

The CHAIRMAN. The Chair did not submit to the Committee of the Whole the request of the gentleman from Pennsylvania until he had concluded his remarks.

Mr. BRAGG. That argument is a libel on humanity, and it shall never be printed with my consent.

Mr. BURROWS. I would most cheerfully yield the balance of my time for the reading of the document were I not under obligations to other gentlemen to yield some portion of my time.

Mr. KELLEY. Will you permit me to read a brief extract, occupying three minutes or five?

Mr. BURROWS. Certainly.

Mr. NEGLEY. I have ten minutes of my time reserved. May I not by some understanding yield that time now to my colleague?

The CHAIRMAN. The Chair can not take the gentleman from Michigan [Mr. BURROWS] off the floor.

Mr. NEGLEY. I do not wish to have that done. I simply ask the courtesy of the House, that by unanimous consent I may at this time yield, in conection with the time given by the gentleman from Michigan, sufficient time to my colleague for him to read a part of the official narrative of this case.

The CHAIRMAN. The gentleman from Michigan has already yielded the time desired out of his hour.

Mr. BURROWS. Yes, I will yield to the gentleman from Pennsylvania for the purpose which he states.

Mr. BRAGG. I dislike to be discourteous to my colleague on the committee, but by unanimous consent that will not be read.

The CHAIRMAN. The gentleman from Pennsylvania is entitled to the time yielded him by the gentleman from Michigan. How much time does the gentleman from Michigan yield to the gentleman from Pennsylvania.

Mr. BURROWS. I understand five minutes will be sufficient.

Mr. KELLEY. I would like as much time as would be necessary. My colleague [Mr. NEGLEY] has yielded to me the ten minutes of time which he had reserved.

Mr. BURROWS. Very well; I will yield that much time to the gentleman.

Mr. THOMAS, of Illinois. There will be an understanding, of course, that the floor will be yielded to the gentleman from Michigan as soon as the gentleman from Pennsylvania has closed his remarks.

Mr. KELLEY. I will take my chances, Mr. Chairman, to get in again. I am on the list, in my own right, and I will try to get in then the paper which I desire to have read. [Applause.]

Fitz-John Porter.

SPEECH

OF

HON. JOHN R. THOMAS,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, February 17, 1886.

The House being in Committee of the Whole, and having under consideration the bill (H. R. 67) for the relief of Fitz-John Porter—

Mr. THOMAS, of Illinois, said:

Mr. CHAIRMAN: No one realizes more than I my utter inability in thirty minutes' time to discuss this question with anything like the fullness with which I would be glad to discuss it if I had sufficient time. I find myself met by a further difficulty, and that is to offer anything new in this discussion after so many able and elaborate speeches have been made for and against the bill. In the short time allotted to me (only thirty minutes, remember) I can only hope to discuss in a most cursory manner the salient points of this case, without being able to go into details, without being able to read from the evidence adduced before the court-martial, or from the evidence gathered by the Schofield board. I can only look at the question as a whole and deal with certain prominent features of it.

In the very outset I find myself confronted by a paradoxical and anomalous state of affairs. We are treated to the delectable spectacle in the House of Representatives of the United States Congress attempting, without constitutional or legal authority, to change its powers and prerogatives from legislative to judicial. There has been an impression abroad, not only in this country but throughout the whole world, that this Government was divided into three co-ordinate branches, that each within its realm was independent, having power under the Constitution to deal with the questions which came within its legitimate province. Although judicial subjects under our Constitution are given in charge to the judicial branch, here the legislative branch of Government is now attempting to usurp those judicial functions in violation of the Constitution by reviewing a case which has been tried by a competent court in a constitutional manner long after that case had been tried and, as it were, rounded up under constitutional authority.

We have been in the habit of regarding courts as above the ordinary plane of politicians, as above those partisan influences which characterize legislative assemblies, and especially the popular branch of Congress. Judges are supposed to act upon evidence and law, to be governed by the Constitution and to dispassionately and fairly seek the ends of justice. But here, with all the prejudices, with all the extraneous influence surrounding and controlling this House, we are asked to assume the functions of judges and pass upon this case.

Now, I deny most emphatically the right of Congress to retry Fitz-John Porter. I deny the right of Congress to overturn the judgment of a constitutional court of the United States which has been supposed to be and ought to be now and forever at rest.

The attempt has been made here, not only in this Congress but in other Congresses as well, to wash from Fitz-John Porter the brand of infamy which was placed upon him twenty-three years ago. His advocates have been parading him here as a patriot who had suffered under the stings and unjust malignity of his comrades and peers at that time. It is claimed that he was not fairly tried; that there was not an opportunity for the serious and earnest investigation of the case; that the times were troublous, and the land was full of war, and, therefore, that men's minds could not grasp the subject, could not deal with it fairly and dispassionately. But, sir, when we remember the fact that this case was not only tried by one of the most distinguished bodies of military men that ever assembled upon earth, that they gave forty-five days to its consideration, that it passed the scrutiny of that illustrious war secretary, Edwin M. Stanton, and that it rested beneath the shadow of the wing of mercy of Abraham Lincoln, it is safe to say that justice was meted out at the time when the minds of men were full of the facts, when they had not been dimmed by accumulating years and cares, and that those facts led them instinctively to a proper conclusion.

Fitz-John Porter a patriot! Where do you find the man who so regards him? In the hearts of the loyal people of this country, in the minds of those who loved the flag and our Government, the impression has lasted for more than twenty-three years that Fitz-John Porter was anything but a patriot, that in other words he was a traitor to his military commander who represented the flag and the Government, and in being a traitor to his commander he was also a traitor to his country. The platitudes indulged in here by those who admire and glorify Fitz-John Porter will not change the opinion in the minds of the people of this country that he merited the punishment meted out to him by the court before which he was tried.

Mr. Chairman, one of the advocates of Fitz-John Porter has to-day seen fit not only to traduce the living but to blacken the memory of the dead in order to sustain Fitz-John Porter. Maj. Gen. John Pope is referred to as the Falstaff of the times, and held up to ridicule. Let any one who cares to acquaint himself with the facts look at the history of General Pope, a man who graduated with high honors in his class at West Point; who was three times brevetted for gallantry on the field in Mexico; who lead our armies and won victories for the country when he was properly supported; and who was rewarded by his countrymen by being placed in a conspicuous position, that of major-general of the United States Army, where he has shed credit and honor upon his country to this day.

And yet, sir, Fitz-John Porter, this admitted traitor to his commander, is held up here as the peer of Pope, as a patriot to be honored as Pope is honored; honored as one who has received the commendation of his countrymen, both those living to-day and those who died since the memorable occasion referred to.

We are admonished, Mr. Chairman, that we should investigate and try this case now as a court and without political prejudice. I should have been glad, sir, if we could have approached the consideration of it in that manner and spirit, believing its result would be only to affirm the sentence of condemnation heretofore pronounced upon Fitz-John Porter. But we find from the very beginning that it has assumed a political aspect; that it has been the pet of the Democratic party from the time it first showed its head here, receiving the almost unanimous support straight along of that party, with one solitary individual exception; and by way of recompense that man, the only Democrat who had the courage to vote his convictions, was ignominiously defeated by his party for renomination and re-election.

We find Porter to-day brought in and exhibited before the country in the leading-strings of a cavalry general of the late so-called confederacy. We find the charge upon the public conscience and upon the public mind led by General WHEELER, of Alabama, who figured quite conspicuously as a confederate cavalry general in the late attempt to destroy the Government. There is no difficulty in finding the friends of Fitz-John Porter. The late confederates have a proper regard for Fitz-John Porter. They realize that he rendered them an invaluable and an inestimable service on that field, and they reward him with their votes and their influence accordingly.

Every one who has observed the course of the Democratic party, not

only during the war, but since, has seen that it has in every way that can be imagined by the mind of man, in season and out of season, attempted to overturn the victories and results of the war. It is not necessary to enumerate instances nor to go into a detailed account of all the efforts made to wipe out and belittle everything accomplished by the Union side of the country, and to emphasize and magnify those things which were done on the confederate side. It was said on the floor of this House that the Democrats were in their fathers' house, and that they had come to stay. Who helped them to enter and stay in their fathers' house? They are here, but they are here because the men who were loyal to the flag and country whipped them back into the house of their fathers. And now they have come to stay? And, as one of their first acts, they propose to reward the man who helped them in their day of trouble.

Looking into the philosophy which lies beneath the action of the regular Army officers during the earlier part of the war, we find this state of affairs: on both sides, for the leaders of the army of the rebellion were West Point graduates and the leaders of the forces on our side were West Point graduates; and we remember that the teachings and the influences of West Point in ante-bellum days were of the most aristocratic character. The graduates of that institution are commanders of men and they look with contempt upon those beneath them. Very naturally then they were pro-slavery men. They looked upon slavery as right. If you analyze their conduct and the impulses by which they were governed you will see they hoped to hold the putting down of the rebellion in their own grasp—to settle it under an armistice, giving greater guarantees to slavery. But when the rebellion reached its greatest proportions and the Government began to lay its iron hand upon the insurgents with the evident intention of suppressing the rebellion, then the disaffection of Fitz-John Porter and men of his ilk began to manifest itself. The people awoke to the fact that the country must be saved, that the flag was in danger, that the existence of the Government was in peril. We saw men like Fitz-John Porter sent to the rear. We saw men who were willing to save the country without slavery brought to the fore. John Pope had been known as an anti-slavery man; he was known as an abolitionist and was hated accordingly; and when brought to command the Army of Virginia he was at once assailed by pro-slavery Democrats in Congress and out of Congress, in the Army and out of the Army.

The distinguished services rendered by Fitz-John Porter before the events complained of, and for which he was tried, show that he was a gallant soldier indeed. It is known that he was educated at public expense, that he was commissioned an officer in the Army, that he sustained an unblemished reputation up to a certain point when political prejudices entered the Army and affected him the same as political influences affected other men. Therefore I say he was not willing to see the country saved under an anti-slavery man like John Pope when a pro-slavery leader like McClellan had been deposed or had ceased to command. Then I say that if not a traitor to his country by overt act of treason he was a traitor to his country in this, that it is shown conclusively that he disobeyed proper orders and was unfaithful to his superior officer, General Pope.

Admit, if you please, for the sake of the argument, that Pope blundered. Admit, if you please, that at the time he was incompetent. Still under military law, under the law of the land, he was Porter's superior; and it was Porter's duty to obey his orders implicitly and without question. It is said that Porter being a corps commander had certain discretionary powers, that he had a right to exercise a certain discretion. I want any one to show me where he ever tried, where he ever made the slightest effort to obey the orders which he complained were physically impossible of execution. It is said that he had a right to use his discretion. Let us illustrate it. We will take a common illustration. Suppose a constable goes and arrests a man without a warrant, charging him with the commission of some crime. Any one knows the constable has the right to make such an arrest, yet every lawyer knows that he makes the arrest at his peril, and unless the man is convicted, he is liable for trespass and false imprisonment, and so a military commander if he sees fit to use his discretion must take the consequences with it. Porter used his discretion and he reaped the reward. And now let him rest in peace.

The promotion or the appointment of Fitz-John Porter to a position in the regular Army would be the rewarding of one who was an enemy to his country and an enemy to liberty. He it was that staid the tide of victory when it was turning in his country's favor. His restoration would be an insult to the living officers who fought from the beginning to the end of the war. It would be an outrage to the dead who fell in their country's defense. It would be an outrage to those dead soldiers who sleep the sleep that knows no waking and are embalmed in the mantle of their country's patriotic pride and affection.

In conclusion, for my time is well-nigh consumed, I can only say that I protest against the passage of this bill, first, on the ground that I believe it to be unconstitutional; secondly, I protest against it on account of the wrong of honoring the man who was tried and condemned by his peers and associates when the facts were fresh in their memory and when all the evidence was before them. I protest against it because the restoration of Fitz-John Porter shows on its face an infamous attempt to blacken the memory of Lincoln, of Stanton, of Garfield, and the other members of the court-martial by declaring their judgment erroneous, and influences by which they were surrounded and governed impure, unjust, and unpatriotic.

The advocates of Fitz-John Porter may try, but they never can obliterate from the minds of the people of this country that Abraham Lincoln, James A. Garfield, Edwin M. Stanton, and the other officers and men who performed their duty in the suppression of the rebellion were patriots, and that Fitz-John Porter was a traitor. [Applause on the Republican side.]

Subtreasury at Louisville, Ky.

SPEECH
OF
HON. ALBERT S. WILLIS,
OF KENTUCKY,
IN THE HOUSE OF REPRESENTATIVES,

Saturday, March 6, 1886.

The House being in Committee of the Whole on the state of the Union for general debate—

Mr. WILLIS said:

Mr. SPEAKER: In the early part of the present session I introduced a bill (H. R. 902) for the establishment of a subtreasury at Louisville, Ky. The object in view is so important, both to the general public and to the people whom I have the honor to represent, that I have felt called upon to present some of the reasons for the passage of the bill.

ORIGIN OF THE SUBTREASURY SYSTEM.

A brief reference to the origin of the subtreasury system may not be out of place. The first United States bank was used as a depository. Legislation, however, making that institution a depository first occurred in 1816 in the charter of the second United States bank. Prior to that time and after 1833, when Jackson removed the public funds the various State banks were also used. The financial crisis of 1814, as well as that of 1837, brought ruin to the State banks and consequent loss to the Treasury, which was their chief depositor. Finally, after an exciting political contest, a divorce of banks and States was effected in 1840, but repealed in 1841. Afterward, when public attention was drawn to Texas and the Mexican war, the independent treasury act was re-enacted in 1846, and has since remained in force.

The system as created in 1846 has been since but slightly modified. In the exigencies of the first war loan in 1861 deposits were again authorized to be placed in certain State banks. The only other change took place on the organization of the national banks in 1864, at which time power was given to the Secretary of the Treasury to designate certain of the national banks as depositories of public funds. Observing, however, a distinction between different kinds of Government funds, it forbids that "receipts from customs" shall go into any national-bank depository, but authorizes receipts from internal revenue and other sources.

DEPOSITORIES OF PUBLIC MONEY.

The act of June 3, 1864, indicates a very decided departure from the policy of 1846, which demanded the total separation of the Treasury from the banks. Under the act of 1846, none of the public money was to be deposited with any banking institution whatever. A complete separation of the Government from all banking institutions was the principle of the bill. The deposit of the revenues in the banks was not, in the opinion of the Congress which passed that bill, placing them actually and *bona fide* in the Treasury; and permission to the banks to use the deposits in their banking business and various operations was in its opinion an employment of the revenue which exposed it to hazard and loss; and was substantially a loan of all public moneys on deposit to the several institutions. The experience of the Government up to that time had been a very disastrous one. The losses arising from such deposits were estimated in the report of the Treasury Department on 11th February, 1881, at the enormous sum of $15,492,000. In the same report of the Secretary of the Treasury the total loss in 1879 to the people through the existence of the banks and the use of bank paper was computed at $365,451,497.

SUBTREASURIES NOW IN EXISTENCE AND THEIR HISTORY.

The act of August 6, 1846, authorized the establishment of subtreasuries at four places: New York, Boston, Charleston, and Saint Louis. These were for the "receipt, safe-keeping, transfer, and disbursement" of public funds, and were also by section 6 authorized to act as pension agents. The mints at Philadelphia and New Orleans were also, by the act, to be used for the same purposes. By the acts of February 12, 1873, these mints and the one at San Francisco were formally designated subtreasuries. On the 15th of June, 1870, a subtreasury was established at Baltimore, and on the 3d of March, 1873, Cincinnati and Chicago were added to the list. In 1876, the subtreasury at Charleston was discontinued.

The whole monetary transactions of the Government are now con-

ducted through the office of the United States Treasurer, one hundred and forty-one national bank depositories, and the nine assistant treasurers at New York, Boston, Philadelphia, Baltimore, Saint Louis, Chicago, Cincinnati, New Orleans, and San Francisco.

NECESSITY FOR AN ADDITIONAL SUBTREASURY.

The statement of population and business since the establishment of the last subtreasury could be presented as conclusive reasons for further facilities in this direction. At that time the total revenues of the Government were only twenty-six millions against three hundred and twenty-four millions last year. It is, however, unnecessary to refer to such statistics. The official reports of the Government for several years past clearly set forth the necessity for an additional subtreasury and urgently demand the relief afforded by the pending bill.

As far back as the year 1882 we find from the report of the Secretary of the Treasury that there were in the subtreasury at New York about $19,000,000 in standard silver dollars while the subtreasury and mint at San Francisco held nearly $41,000,000. The Secretary assigns as the reason for not bringing away a part of these silver dollars from San Francisco that "there was no unsatisfied call for them elsewhere and the expense of carriage is great, never less than 1 per cent.

Besides that—

He continues—

the vaults on this side are inconveniently taxed in the storage of what is here. Indeed, the storage capacity of the mints and other vault room of the Government is everywhere severely taxed. There were on hand in the subtreasury on November 1, 1882, $26,884,337.62 of fractional silver coin. In all, there were 2,400 tons of silver coin stored in the public vaults. If the coinage of standard silver dollars is kept up * * * it will be a serious question where the Treasury Department will find, in public receptacles, storage room therefor. (Report of Secretary of the Treasury for year ending June 30, 1882, page 12.)

In the following year, 1883, the Secretary again called attention to the subject in the following words:

The accumulation of standard silver dollars in the custody of this Department at the date of its last annual report was such as to cause serious inconvenience, actual and prospective, for the want of safe storage room. The vaults owned and hired by the Treasury are still heavily taxed for room, and frequent transfers must be made, at risk and cost.

The Treasurer in his report for the same year states:

The vaults of the Treasury offices are taxed to their utmost capacity to contain the funds of the Treasury, including the $114,576,044 in standard dollars and $26,792,519.83 in fractional silver coin. Frequent transfers of such coin are necessary from an office that has become filled to its capacity to some office in which vault room can be found.

Upon these statements Congress authorized the construction of a large vault, with the capacity of forty-five million standard dollars, in the Treasury building at Washington, and of another, with the capacity for twenty-eight millions, in the treasury office at New Orleans. These additional accommodations were inadequate to the demands of the public service, and in the next year after their construction the Secretary of the Treasury again calls the attention of Congress in the following words:

Attention is again invited to the crowded condition of the vaults in the subtreasury offices, occasioned by the great accumulation of standard silver dollars and redeemed fractional silver coins. The new vault just completed in the office of the Treasurer of the United States at Washington is the only one now available for further storage, the new vault at New Orleans being needed for the storage of silver accumulated at that point and that coined at the mint in that city. * * * The assistant treasurer at San Francisco has reported that his vaults are nearly full, and that there is no further space in his office available for the erection of another vault. He recommends the purchase of adjoining property for the purpose of providing additional vault room.

There are also many millions of standard silver dollars in the mint at San Francisco which encumber the vault space required to accommodate the current coinage. (Report of Secretary of the Treasury for year ending June 30, 1884, page 38.)

NECESSITY FOR ANOTHER SUBTREASURY AS SHOWN BY THE LATEST OFFICIAL REPORTS.

The latest reports of the Department are very clear as to the necessity of another subtreasury. The Secretary of the Treasury in his last report states:

The monetary transactions of the Government have been conducted through the offices of the Treasurer of the United States, nine assistant treasurers, and one hundred and forty-one national-bank depositaries.

The gross receipts of the Government, amounting during the fiscal year, as shown by warrants, to the sum of $568,887,009.38 ($245,196,303 of which were on account of loans, United States notes, and certificates and conversion of refunding certificates), deposited as follows:

In the Treasury and subtreasuries	$451,210,995 09
In national-bank depositories	117,676,014 29

Owing to the large movement of moneys caused by the exchange of standard silver dollars for silver certificates, the deposits of legal-tenders in exchange for like certificates, and the redemption of fractional silver coin, the duties of the officers and employés of the different subtreasuries have greatly increased, and I would, therefore, recommend that inquiry be made by Congress as to the present condition of these offices, and such method of relief be adopted as may be deemed proper. (Report of Secretary of the Treasury for the year ending June 30, 1885, page 14.)

The Treasurer in his report for the same year, under the head "standard silver dollars," page 25, says:

The amount of silver dollars shipped from the Mint to points by express to June 30, 1885, was $96,516,067, of which there remained outstanding on that date only $38,348,527, as stated above. The cost to the Government of moving these coins was $430,313.76, an average of $4.46 per $1,000.

The average rate per $1,000 from the several mints was as follows:

From Philadelphia	$3 94
From New Orleans	2 21
From Carson City	14 47
From San Francisco	9 23

The vaults in the mint at New Orleans having become filled with dollars, it was determined to remove as many as practicable to the vault in the Treasury Department. In order to avoid the payment of a large sum for this transfer, $10,400,000 were safely moved by means of United States naval vessels in September last, at an expense which saved the Government about $40,000. There was also moved by registered mail from San Francisco the sum of $12,800,000 in gold coin without any expense to the Government except the transportation from the post-office to the subtreasury.

Special contracts have been made with the express companies to transport to Washington or New York $10,000,000 in silver from San Francisco and $3,700,000 from Carson City, at the rate of $8 per $1,000, and $15,000,000 from New Orleans to Washington, at $3 per $1,000; also, for the transfer of $17,200,000 of gold coin from San Francisco and of $900,000 from Carson City, at $2 per $1,000.

On July 1, 1885, the clause in the sundry civil appropriation act of 1885, authorizing the shipment of silver coin from subtreasuries, became operative. The shipments made since that date to September 30 have been at an average cost of $1.74 per $1,000. The average rates from the several points were as follows:

Washington	$2 08	Cincinnati	$1 04
Baltimore	2 01	Chicago	1 37
New York	1 04	Saint Louis	2 31
Philadelphia	1 45	New Orleans	1 76
Boston	1 04	San Francisco	5 79

It is recommended that the appropriations for this purpose be continued, and that the authority given by the act referred to be extended to include shipments of silver coin from depository banks.

If the coinage of silver dollars is to continue, a new vault will be needed in New York city, and additional vault room in the Treasury building at Washington.

The following table shows the amount of standard silver dollars and of fractional silver coin in each office of the Treasury on September 30, 1885, and on that date last year:

Office.	Standard silver dollars.		Fractional silver coins.	
	September 30, 1884.	September 30, 1885.	September 30, 1884.	September 30, 1885.
Treasury United States, Washington	$4,494,616	$14,334,245	$198,405 67	$264,274 28
Assistant Treasurer United States:				
Baltimore	3,123,065	3,380,708	474,097 45	538,935 70
Boston	1,866,971	687,805	1,512,701 05	1,393,974 00
Chicago	6,648,800	7,322,000	3,848,157 00	4,147,010 00
Cincinnati	635,500	737,000	132,063 00	149,725 00
New Orleans	7,923,208	10,112,004	713,977 27	719,901 80
New York	25,938,000	28,900,000	8,877,504 65	2,954,122 32
Philadelphia	9,384,360	10,009,330	3,690,270 00	3,631,380 00
San Francisco	18,558,000	21,000,000	7,776,797 77	7,496,281 80
Saint Louis	7,819,750	10,119,400	2,098,100 00	2,237,080 00
United States Mint:				
Denver	6		1 40	98
Carson City	2,876,730	18,080	13,630 58	7,047 76
New Orleans	12,642,620	4,042,165	25	52
Philadelphia	7,798,269	14,441,005	34,777 72	51,523 89
San Francisco	32,740,620	29,404,002	34,214 88	11,452 74
United States Assay-Office:				
Boisé City	708		8 00	
Charlotte, N. C.				
Helena, Mont.	350		19,217 35	
New York	9,834	1,624	71	48 45
Saint Louis		12	14 30	17 50
Total	142,431,407	154,509,380	29,424,029 05	23,602,776 84
Add amount in transit between offices	10,000	11,069,000	71,856 78	
	142,441,407	165,578,380	29,495,885 83	23,602,776 84
Deduct amount required to fill orders unpaid	91,998	147,297	19,170 20	76,425 40
Total	142,349,409	165,431,083	29,476,715 63	23,526,351 44

The foregoing official statements require no explanation or comment. They are, I submit, sufficient of themselves to justify action by this Congress, and are indeed presented to us with that view. The force of the suggestion is, however, increased when we find, upon further examination of the last official reports, that not only are the subtreasuries of the country overcrowded both with funds and with work, but that the Department has been compelled against its own judgment and against the law to permit the mints and assay offices to be used as subtreasuries.

UNLAWFUL STORAGE OF BULLION AND COIN IN MINTS AND ASSAY OFFICES.

This phase of the question has been fully presented, both by the Treasurer and the Director of the Mint. From the statement appended to the last Treasurer's report it will be seen that the Treasurer is charged in the account with $148,504,628.77 held in the mints and assay offices as a bullion fund. While receiving daily reports from these offices, showing the changes in the fund, he has, as he shows in his last report, page 15—

No means of verification except by calling upon another bureau; the condition of these offices has never been examined heretofore by any one representing the Treasury. The results of the annual examinations made under the direction of the Mint Bureau are not communicated to the Treasurer, and these examinations are therefore not sufficient, it is submitted, to confirm the statement that the funds are held as represented.

If these prudent suggestions of the Treasurer are not sufficient to induce action on the part of Congress I would call attention to the following forcible presentation of the matter by the Director of the Mint. In his last report, page 32, referring to the improper use of the mints and assay offices, he states:

STORAGE OF BULLION AND COIN IN MINTS AND ASSAY OFFICES.

The mints of the United States were never designed to be repositories either

of large stocks of bullion or of coin. This is indicated by the small capacity and number of their original vaults. The best of these in the mint at Philadelphia are very primitive in design and in safety appliances. Indeed, all of the institutions, as far as I am informed, with the exception of the mint at San Francisco, are supplied with vaults the security of which mainly depends upon the integrity and efficiency of guards and patrols by night and upon the presence of officers and employés by day.

But, as a matter of fact, still further dependence is placed on the legal preservation of public order and the efficiency of local police. Confidence in such personal, as distinguished from structural, means of security seems happily to have suffered no relax from serious disturbances of public order. Yet it may well be asked should even this long immunity from popular violence be accepted as a guarantee against the possibility of any future occurrence of the kind in large cities like New York, Philadelphia, and New Orleans? Or should indeed such immunity in the past serve as a justification on the part of the Government for not exhausting all practicable structural means for the safe custody in the mints not only of their regular store, but also of coin, for which the Treasury and subtreasuries at present offer but a scant asylum?

The demand upon the mints for facilities for the storage and safe custody of bullion and coin becomes more and more urgent as their available capacity becomes taxed through the accumulation, especially of coin, of which the Treasury and subtreasuries of the United States are unable to relieve these institutions, through similar exigencies on their own part, or through considerations of expense attending every movement of specie.

Regarding the mints and assay offices in their true character as manufacturing establishments, and, on the other hand, the subtreasuries as the proper repositories of the finished product of the mints, there seems to be no reason, except that of absolute necessity, for continuing to charge the several mints with the custody of specie over and above what is necessary for the prompt payment of depositors, as provided by section 3545 of the Revised Statutes. Again, as a matter of fact the vault capacity of the several mints has been provided only within limits apportioned, first, to the storage of stocks of bullion, small in amount as compared with such stocks as are now carried under the special requirements for the coinage of the standard silver dollar; and, second, to relatively small stocks of coin. Especially is this the case since the action of the Department in dividing the coinage of the standard silver dollars between the two Eastern mints.

As the storage and safe custody of coin for obvious reasons call for the greatest possible degree of security, preference is given to the stock of coin, and only secondary consideration to that of silver bullion. This is of so bulky a character as sometimes to be left unduly exposed. At the mint at Philadelphia thefts of fine bars have occurred, as above reported, on two separate occasions during the last fiscal year, through want of sufficient protection.

The lack of ample security at the mints under the necessity of make-shifts to provide even a tolerably safe storage, becomes a source of great anxiety to the officers in charge, the requirements of whose original trusts are seen to be greatly exceeded by the additional responsibility as custodians of vast sums of public moneys. When, too, it is remembered that the vaults provisionally arranged to meet the present emergency for the storage of coin are far from what they should be as such repositories, the accountability of the officers in the mints becomes one which in strict justice should not be imposed. Some of the provisional vaults, which I have personally examined, in the most active mint in the country, are scarcely more than closets or ordinary cellars opening into workshops, thoroughfares, and dark recesses, and depending more on neighboring traffic for security than on any structural security of their own.

The vaults of the assay office at New York, while not severely taxed for the storage of silver bullion, are also far from what they should be under the requirements of its business, to keep on hand very large amounts of gold bullion in the form of stamped ingots.

It thus appears by official report that all the subtreasuries throughout the country and at Washington are overburdened with coin and bullion, and that the mints and assay offices, institutions not directly set apart for such purpose, have been used for the storage of bullion and coin. The hazard, inconvenience, and expense resulting from this condition of things are fully set forth in the reports which I have read. If, therefore, the necessity for another subtreasury rested solely upon the inadequacy of accommodations at the disposal of the Department it would be fully recognized by Congress. I need not call attention to the fact, however, that such inadequacy of accommodations is insignificant as compared with the demands of business and commerce throughout the country. It is unnecessary to go into statistics upon this point. If forty years ago six subtreasuries were deemed necessary for the proper conduct of the pecuniary affairs of the Government, will it be doubted that additional facilities should be furnished to-day when our population is threefold greater and our wealth has increased more than twenty-fold?

FACTS GOVERNING THE LOCATION OF SUBTREASURY.

Conceding, then, the necessity for another subtreasury, where should it be located? What considerations should operate in determining this question? I submit that the most material points would be geographical position, accessibility to surrounding country, distributing power, amount and character of present and prospective collections and disbursements of public moneys.

The briefest reference to the facts will, I am satisfied, convince this House that the city which I have the honor to represent more fully comes up to these requirements than any other place in the United States.

GEOGRAPHICAL POSITION AND NATURAL ADVANTAGES OF LOUISVILLE.

Louisville, the metropolis of Kentucky, is located on an elevated and beautiful plain at the falls of the Ohio River, 368 miles from its mouth. Its area is 18 square miles. It is laid out with great regularity, the principal streets running parallel with the river and being intersected with others at right angles. It has a population, in connection with the cities around the falls, of over 200,000, and is fast increasing in numbers and wealth. The rapidity of this numerical increase may be seen from the statement that since 1850 its population has trebled. A single glance at the map will make it evident that the position occupied by Louisville is of peculiar importance with reference to the great feature lines of the continent.

The Mississippi River system is the key to the continent; those parts which lie beyond its borders are either limited area, or their severe conditions of climate make them relatively of minor importance. In this system the State of Kentucky, and Louisville, its chief city, occupy a most important place. The western border of our State is only 1,070 miles from the mouth of the Mississippi, while its eastern boundary is within 500 miles of the Atlantic ports. The special feature of position to be considered in measuring the importance of the location of Louisville, is its central place with reference to the valley of the Mississippi, and the advantages it has from its extended contact with the river system of that valley. It is by water 598 miles below Pittsburgh, 132 miles below Cincinnati, 368 miles above Cairo, 607 miles above Memphis, 1,377 miles above New Orleans, and 558 miles from Saint Louis. Situated midway between the Gulf of Mexico and the northern lakes, and also between the eastern and western ranges and the North American mountains, Louisville becomes the focal point of the great Mississippi Valley. The extent, fertility, and boundless resources of that valley in agricultural and mineral wealth need not be here enlarged upon, nor is it necessary to refer to the importance of its future destiny whether from a political or commercial standpoint.

But not only is Louisville in the heart of the Mississippi Valley, but it is also in the heart of the valley of the Ohio, a valley without doubt comprising a larger quantity of fertile land, and a more extensive and diffused interior navigation, together with a more salubrious climate than in any other portion of the temperate zone on the globe. It comprehends an area of 201,720 square miles, which is about double that of France, more than twice that of Great Britain, and nearly as much as Germany. Its internal navigation is over 5,000 square miles, with access to navigation on the great northern lakes of 82,750 square miles. The resources of the finest iron and lead ore and salt are stretched over this section of the United States in a profusion unequaled in the world. This valley of the Ohio extends from latitude 40° 29′ north to latitude 34° 12′ north, and in an eastern and western direction it stretches from the head of the Ohio River to its mouth; that is, from 78° 2′ west, from Greenwich, to 89° 2′ west. This valley is destined to become the greatest source of these productions that require cheap labor and cheap food in the world, and its population in the near future will undoubtedly equal that of the oldest-settled areas in the great European States. Thus centrally located with reference to the great valleys of the Mississippi and Ohio, I submit it to the judgment of my colleagues on this floor whether in geographical position the city which I have the honor to represent does not possess special advantages.

ACCESSIBILITY.

While possessing these advantages, by reason of its geographical position, Louisville has direct water communication and railroad facilities for reaching the remotest parts of these great valleys. She has a river frontage of 12 miles, and a river trade in the South and in the West combined of over 12,000 miles. There are no less than thirty navigable rivers accessible by the steamers from her wharves and tributary to her commerce. With her river facilities she has opened avenues of trade to a vast and wealthy domain, comprising sixteen States, with a population of over 7,000,000 people. Her immediate communications with her own State are also direct and numerous. Of the one hundred and seventeen counties in the State of Kentucky one hundred and eight can be reached by water or railroad communication. The successful completion of the Eads jetties will, with proper improvement of the river, within a few years bring within easy access ships of the largest tonnage. The invaluable advantages of river communication, which in consequence of the mildness of the climate is never interrupted for more than ten or fifteen days in the year, in floating to her doors in the greatest abundance salt, coal, and lumber, will be readily perceived.

This system of railroad gives easy communication with every point of the compass. The Louisville and Nashville and Great Southern, the most important of the trunk lines of railroad in the South, and second only to the Mississippi River, its total mileage being 3,600 miles of Southern roads, including the line to Cincinnati under one management, that road laid with steel rails on the main stem, is the great through line from the Southern States to the Eastern and Northern markets, and is to the South what the New York Central and the Pennsylvania railways are to the trade of the Northeast and West.

The Chesapeake and Ohio Railroad connects Louisville directly with Newport News on the Atlantic coast, 729 miles distant, with the Southern Pacific and Mexican Central Railroads; the Chesapeake, Ohio and Southwestern Railroad, a continuation of the Chesapeake and Ohio road, opens up a direct line of communication with the southwestern portion of the State of Kentucky, abounding in choice iron and coal beds and forests of splendid timber.

The Louisville Short Line, running through Kentucky, reaches Cincinnati and thence all the railroad communication of the North. The Ohio and Mississippi leaves Louisville and makes the same connection with Cincinnati as the latter road but upon the opposite side of the river. It also connects Louisville with Saint Louis. The Jeffersonville, Madison, and Indianapolis Railroad connects Louisville with all East and West lines and with Chicago, as also does the Louisville, New Albany, and Chicago. The Louisville, Evansville, and Saint Louis Railroad runs through southern Indiana and southern Illinois, 260 miles to

Saint Louis, and the Cincinnati Southern is connected with Louisville through the Louisville and Nashville road.

From this brief sketch it will be seen that the railway system of Kentucky gives her direct communication with all parts of the country by trunk lines, and, taken in connection with her unparalleled river system, it is clear that but few, if any, of the cities on the continent are more accessible or possess greater facilities for transportation. As an illustration of the advantages resulting from this it may be stated that at the present time the freight rates from the Lower Ohio to Liverpool will permit the profitable shipment of the cannel coal and the native ores direct to Europe with one transshipment at New Orleans. A detailed statement upon this point could be made which would conclusively demonstrate this fact. It is to be noted, too, that it is possible for many months in each year to bring ships of large tonnage to the landing points on the Ohio River and load them for direct trade for Europe. It may also be noticed that the cost of transportation by water being lower than by rail in most countries, is particularly cheap on the Mississippi River and its principal tributaries, for the reason that coal is lower than in any other country, as is also timber for boat-building. Moreover, there are no tolls on the steamers, and the currents near the shore are generally slow, admitting of easy ascent.

The last census shows that the center of population is in the State of Kentucky, and Louisville is near that center. The density of population surrounding Louisville may be realized from the following statement: Within a radius of 300 miles of Louisville there are eleven million people; that is within half a day's journey for the most remote of this vast population live one-fifth of the entire population of the United States. This 300 miles radius, sweeping around Louisville as a center, traverses in every direction only land, and land occupied by a full population on every side. Such a circle about the most crowded seaport is half, and in many cases more than half, water. Such a circle farther West embraces large areas of unpeopled lands and uncultivated waste. Such a circle farther North takes in the waters of the great lakes and the thinly-peopled lands of the far North. Such a circle circumscribed about Louisville not only holds within its circumference the largest population of any like circle around any city, but it embraces sections of all the various productive belts delineated on the census maps of productive areas. Every color indicative of peculiar production used on the census maps is found within the circumference described around Louisville by this remarkable radius, and hardly an appreciable section of this circle is, as we have seen, without direct railroad or water connection with Louisville, whether it lies to the north, the south, east, or west.

The bearings of the above facts upon the question involved in the pending bill will be readily seen. Granting that other points may be nearer the supply of bullion, their remote communication with the country to be supplied with coin from the subtreasury must be taken into consideration. The coin is not only to be received but it is to be distributed, and the latter is much more important from every standpoint than the former. At San Francisco, New Orleans, and other places where subtreasuries are now established, the coin must be largely distributed as an article of freight chiefly, and, of course, at an expense to the Government. How great the expense is I shall presently show from the official reports. Should coin deposited in a subtreasury at Louisville need to be sent to other points the extended facilities by river and rail will enable this to be promptly and cheaply done.

LOUISVILLE AS A DISTRIBUTING POINT.

The above facts also set clearly forth the advantages of Louisville as a distributing point. While at many cities the coin would be distributed at an expense to the Government, the particular products of the State of Kentucky, the extensive business and manufacturing interests of the city of Louisville would secure its distribution through the natural channels of trade without such expense. The briefest reference to well known facts will illustrate and confirm this statement.

There are in Louisville one thousand three hundred and fifty-two manufacturing establishments in active operation, which have an invested capital of $40,000,000 and a commercial credit for five times that sum. These employ over twenty-four thousand workmen and put in the market annually finished wares amounting to more than $60,000,000. Some of the leading branches contributing to this magnificent total I will call attention to. In the manufacture of furniture, both in point of quantity and quality, Louisville is the second city in the United States, having a capital invested of over $2,000,000, and employing over two thousand operatives, and sending its manufactured goods of this kind to all parts of the South and West. It turns out an annual product of between two and three million dollars. The price of timber for furniture-making is lower here than in any other lumber market in the world.

Louisville is also one of the leading pork-packing cities of the country, having a capital invested in the pork and ham trade of nearly $3,000,000. It is the largest plow manufacturing city in the world, the united capacity of its plow manufactories being over 1,500 per day, these establishments having an extensive trade in Europe and sending thousands of plows every year to that part of the world. Over 200,000 plows and 50,000 cultivators are annually manufactured. There are in the vicinity of the Falls 23 tanneries, 17 being located in the city of Louisville. These tanneries represent an invested capital of $2,500,000, and their annual business is over $5,000,000.

Louisville furnishes the largest supply market in the world for sole leather, it being in greater demand and bringing higher prices than the product of any other market in the world. In the article of jeans and jeans clothing the annual sales in our city are 5,500,000 yards, representing over $1,500,000. One hundred and twenty tons per diem of cast gas and water pipe are manufactured, or 30,000 tons per annum. The capacities of our manufactories in that direction are 180 tons per diem. Other divisions of iron work aggregate a manufactured product of $8,000,000 per annum. The largest plate-glass works in the United States are located around the falls, one being located in Louisville and the other and larger in New Albany. The works in New Albany cover very nearly 30 acres of ground, and cost over $2,000,000, affording employment to fifteen hundred men.

The paper-mills of Louisville employ a capital of $1,000,000. Its architectural foundries are now doing Government work for custom houses at Columbus, Chicago, Saint Louis, and other cities, competing with home firms at these points. The boot and shoe trade amounts to $6,000,000 annually. The capacity of the flour mills in the city is 1,000 barrels per day, one of these being the largest in the world. Pig-iron is cheaper and in greater abundance than in any other place in the United States, it being the market point to a large extent of the Alabama and other Southern irons, and is the largest storeage point for iron in America. There are eight cement mills with $1,000,000 invested in them, manufacturing 830,000 barrels of cement annually, which finds a market all over the country. The sales of tobacco from January 1, 1885, to January 1, 1886, amounted to over 127,000 hogsheads—the value of which was between twelve and thirteen millions of dollars. Louisville is also the largest market on the continent for fine whiskies, and millions of dollars are invested in its manufacture. Some idea may be formed of the vast business in this direction from the statement that the revenue from this source and from tobacco last year amounted to over $7,000,000. To these two branches of business I will presently refer more at length, as they have a direct and intimate connection with the question I am discussing.

In nine of the foregoing industries Louisville leads the world. I refer to tobacco, jeans and jeans clothing, cast gas and water pipe, plows, live-stock, cement, fine sole leather, plate glass, and fine whiskies. These branches of trade illustrate the commercial importance and consequently widespread communications which Louisville has, and through which the desired distribution of Government funds could be effected readily and without expense.

OPERATIONS OF BANKS AND CLEARING-HOUSE OF LOUISVILLE.

Aside from being a commercial and industrial center of acknowledged size and importance, equal to other cities where subtreasuries are now established, Louisville is fast becoming a very important financial center. Its banking institutions now number twenty-four, employing $8,871,300 of capital. These, Louisville being a national banking reserve city, are daily opening new accounts with correspondents from Western and Central Kentucky and Tennessee, Southern Indiana and Illinois, Western Alabama and Georgia, and a large part of Arkansas, Mississippi, and Texas. The radius of territory in direct financial relation with Louisville is growing in size every day.

As an evidence of this steady and uniform expansion, and as a further index of its commercial condition, I call attention to the exchanges of the Louisville clearing-house for the past nine years, which were as follows:

1885	$217,748,602	1880	$149,587,212
1884	211,062,250	1879	127,653,037
1883	224,845,981	1878	108,219,963
1882	193,667,491	1877	114,583,990
1881	198,170,532		

Comparing the year 1885 with the first year of specie payments, there is a gain in clearings of $90,095,565.

REVENUE COLLECTED AT LOUISVILLE DURING PAST YEAR.

The objects to be secured by the establishment of subtreasuries is defined by the act of 1846 to be fourfold—(1), the receipt (2), safe-keeping (3), transfer and (4), disbursement of public funds. In the light of the facts which I have already presented, it will not be denied that the last three of these can be accomplished as fully at Louisville as at any city in the Union. It remains to consider what "receipts" of public funds at that city is to be annually expected. However centrally located a city may be, however great its facilities for wide distribution and cheap transportation, it is still more important to know what are its Government receipts.

The internal-revenue collections for the year 1885 in the nine States where subtreasuries are now located, as stated on page 8 of the last report of the Commissioner of Internal Revenue, are as follows:

Illinois	$23,075,864	Maryland	$2,774,384
New York	13,823,644	California	2,613,160
Ohio	12,565,516	Massachusetts	2,287,453
Pennsylvania	7,271,209	Louisiana	538,804
Missouri	6,276,165		

The internal revenue collected in the State of Kentucky during the same period was $14,482,476, the largest amount, therefore, except one, in the country.

As seen by this statement, the receipts of this character in Kentucky were twenty-eight times as great as Louisiana, over six times as great as Massachusetts, over five times as great as California or Maryland, and over twice as great as Missouri or Pennsylvania; or, if you add together the amounts received from the last five States in the above list, the total will be found only $7,500 more than the single State of Kentucky.

In all of these States the subtreasury cities are the financial and commercial centers, but this is more true of Louisville than of three-fourths of them. If, however, a comparison is made between the cities themselves, the claims of Louisville as a revenue-paying city will be found well established.

The following, as appears from official reports (see page 6, report Internal Revenue Commissioner for 1885), were the amounts of internal revenue received during the past year at the points designated:

Cincinnati	$8,737,148	Philadelphia	$2,892,819
Chicago	8,001,784	Baltimore	2,774,384
Louisville	7,076,453	San Francisco	2,342,080
New York	5,057,715	Boston	1,970,722
Saint Louis	5,011,585	New Orleans	538,814

A comparative idea of the amount which was actually collected last year from the Louisville district from this source may be formed when it is known that the States of Alabama, Arkansas, Colorado, Connecticut, Delaware, Florida, Georgia, Kansas, Maine, Minnesota, Mississippi, Nevada, New Hampshire, Oregon, Rhode Island, South Carolina, Texas, and Vermont, and the Territories of Arizona, Dakota, Idaho, Montana, New Mexico, Utah, Washington, and Wyoming paid last year the aggregate amount of $3,463,195, which is less than half that district paid; in other words, this single district at Louisville had more than twice as much public business in this direction as eighteen States and all the Territories of the Union combined.

The receipts of the Louisville office are temporarily lessened several million dollars per annum by exportation of spirits, but even upon present receipts it ranks fourth in importance of the eighty-one offices, paying over one-sixteenth of the total amount of internal revenue collected.

It will thus be seen that only two of the subtreasury cities—Chicago and Cincinnati—collected more internal revenue than Louisville, and that the aggregate receipts of four of them—Baltimore, San Francisco, Boston, and New Orleans—hardly equaled that city.

REVENUE FROM CUSTOMS.

The total ordinary receipts of the Government for the fiscal year ended June 30, 1885, were $323,690,706; of these the receipts, excluding customs and internal revenue, were $28,812,578. From the last two sources the receipts were—

From customs (including fees, fines, &c.)	$182,379,403
From internal revenue	112,498,725
Total from customs and internal revenue	294,878,128

In other words, over five-sixths of all the revenues which are paid to the Government come from these two sources—customs and internal revenue. The amount of these, therefore, affords a criterion, at least so far as the receipts of public money are concerned, for determining the necessity for a subtreasury. The internal-revenue receipts of the subtreasury cities and of Louisville have already been given. The question of customs receipts in the interior cities is relatively unimportant in the comparison, as imports have always been largely made at seaboard cities.

The customs receipts at the three seaboard cities of New York, Boston, and Philadelphia were respectively $125,493,472, $19,610,356, and $12,429,625; total, $157,533,453—deducting which from the whole amount ($182,379,403) received from that source will leave $24,845,950 as the whole amount collected from customs at all the remaining ports of entry (interior and exterior), including the six other subtreasury cities.

The revenue receipts at these six cities have already been given. Adding to these the customs receipts as stated in last report of the Register of the Treasury, we will have as the total customs and revenue receipts as follows:

Chicago	$12,151,988	Saint Louis	$6,061,379
San Francisco	8,984,929	Baltimore	4,798,130
Cincinnati	8,837,438	New Orleans	2,050,981
Louisville	7,182,956		

It thus appears that Louisville maintains her prominence, collecting of both customs and internal revenue more than any one of the last three cities, more than the last two combined, and nearly as much as two others. In this connection I will state that the increase of customs duties at Louisville has been more than 100 per cent. in the last four years. The transportation of foreign goods to inland ports without appraisement is destined to revolutionize the methods of collecting revenue in the United States, and will every year increase the business of the interior at the expense of the seaboard ports.

PROSPECTIVE INCREASE OF REVENUES FROM CUSTOMS DUTIES.

This annual increase of revenues from customs Louisville can expect in common with all interior ports of entry; but as to its internal revenues, it not only has precedence now of all but two of the subtreasury cities, but that precedence in the future will be very much greater.

The chief sources of internal revenue are whisky and tobacco. Both of these articles have largely increased in production at Louisville, and for well-known causes will continue to enormously increase, and thus swell the revenues of the Government at that point.

By the law of 1878 whiskies are permitted to remain in bond three years before paying the tax. Since the passage of that law withdrawals have only been made to meet the wants of trade, and consequently a large per cent. of whisky has been left in bond, thus creating a temporary reduction of the internal revenue within the last six years under the operation of this law. In 1880 the number of taxable gallons of spirits produced in the Louisville district was 4,651,090. In 1881 the number of gallons produced was 14,233,860, thus showing in one year an increase of 9,582,770. This enormous increase is owing to the increased number of new distilleries and the increased capacity of the old ones, and as this increase is permanent the internal revenue alone of the Louisville district will hereafter exceed $10,000,000 per annum. Except for the exported spirits the revenue from this source last year would have been over $9,000,000.

LOUISVILLE EXCEPTIONAL IN THIS PROSPECTIVE INCREASE OF INTERNAL REVENUE.

But it may be asked, are not all districts affected alike by the law of 1878, and will not this increase be general? An examination of the last report of the Commissioner of Internal Revenue will answer this question. On page 96 of the report is a table showing by districts "the quantity in taxable gallons of spirits in warehouse June 30, 1885." From this it appears that outside of the State of Kentucky the aggregate number of gallons in bond at that time was 21,211,143. The total number of gallons, including Kentucky, was 54,724,916, which were distributed among the different districts in very unequal quantities.

In twenty-one districts, being over one-fourth of the whole number, there were no spirits in warehouse at the end of the fiscal year, and consequently they are not represented in the Commissioner's statement. Of the remaining sixty districts outside of Kentucky, two, Pittsburgh and Baltimore, had in bond between three and four million gallons. In only six was the number of gallons between one and two millions. In thirty-five of the sixty districts enumerated by the Commissioner, that is, seventh-twelfths of all, the number of gallons was under a quarter of a million. The State of Kentucky had in bond 33,513,773 gallons, being more than three-fifths of the whole amount. The number of gallons in the Louisville district is stated at 16,015,190, which, deducting one district (the twenty-second) in Pennsylvania and one (the fifth) in Tennessee, is more than all the other districts in the United States, including the nine sub-Treasury districts, outside of Kentucky, combined. The Louisville district is, therefore, exceptional. At 90 cents per gallon the amount of tax thus ready to be paid from that district on the 30th of June last was $14,400,000. Should the recommendations of the present Secretary of the Treasury and the Commissioner of Internal Revenue be adopted and the bonded period for spirits be made the same as for cigars, beer, and tobacco, this large amount would be increased by several millions more from the spirits now fled to foreign ports for sale and protection. The estimate, therefore, of $10,000,000 per annum from receipts of internal revenue is within the official statements.

THE LARGEST MARKET FOR TOBACCO AND FINE WHISKIES IN THE WORLD.

An examination of the report of the Commissioner of Internal Revenue will show that the proportion of the enormous revenue business of Kentucky which is transacted at Louisville, always great, and now more than one-half of the whole amount, has been steadily on the increase. Nor is this surprising to any one familiar with the facts. On the 8th of January, 1876, the fourth internal-revenue district, composed of fourteen counties, was consolidated with the fifth district. Louisville thus became the commercial center of the largest whisky-producing district in the State. The counties of Nelson, Owen, Bullitt, La Rue, Marion, Washington, and Anderson, which are included in this district, have for half a century been noted for the manufacture of fine whiskies. The product of more than one-half of the State of Kentucky comes to Louisville, thus making it the first market of the United States, if not in the world, for this class of goods. This concentration of trade has given increased activity to the business. The statement is equally true as to the manufacture of beer, both common and lager. The storage capacity of nearly all the lager-beer breweries has been increased, some 50 per cent., some 75 per cent., and two of the largest more than double that of 1878.

As to another chief source of internal revenue, tobacco, it is well known that Louisville holds precedence over all other markets. It is, indeed, both in the variety and magnitude of the offerings, the largest and best leaf-tobacco market in the world. From 1850 to 1886 the total sales at Louisville of this staple have reached the enormous total of 1,492,730 hogsheads, equivalent to 1,492,730,000 pounds! Louisville accomplished last year what has never been achieved or even approached by any other city of the world, the sale of 127,046 hogsheads of tobacco in one year—an event which was celebrated by a magnificent industrial parade over 8 miles in length. These immense sales are not confined to our own country but include Germany, Italy, Russia, England, Africa, Australia, the islands of the South Pacific, and six of the South American republics. Many of those nations have permanent buyers to represent them.

A comparison with Cincinnati, Saint Louis, Clarksville, Evansville, and Nashville, the five great tobacco markets of the West and of the world, will show the advantage which Louisville has.

I call attention to the following tabular statement:

Statistics of the tobacco sales in the Western markets for the last eleven years.

Years.	Louisville.	Cincinnati.	Clarksville.	Saint Louis.	Evansville.	Nashville.	Totals.
1885	127,046	60,579	28,228	8,436	6,776	5,155	268,400
1884	81,359	50,908	17,717	6,081	5,185	2,233	184,804
1883	88,919	62,681	17,757	8,714	4,818	4,288	213,455
1882	61,441	48,491	14,649	7,358	4,571	2,947	158,219
1881	67,408	48,519	12,475	8,844	5,559	2,882	164,935
1880	65,281	45,797	16,296	2,621	4,197	3,903	158,703
1879	58,103	31,425	14,048	5,221	3,384	3,852	134,141
1878	71,080	37,335	19,486	9,013	4,421	6,364	182,635
1877	56,218	35,268	12,624	13,046	....	4,738	140,408
1876	60,886	32,167	14,408	12.227	.....	7,461	161,924
1875	27,875	17,038	3,515	9,466	.....	1,765	69,181

It will thus be seen that the sales at Louisville during the past year were twenty-five times greater than Nashville, twenty-one times greater than Evansville, fifteen times greater than Saint Louis, over four times greater than Clarksville, and over twice as great as Cincinnati.

A brief glance at the statistical history of the Louisville tobacco market presents a remarkable example of rapid expansion. As compared with previous periods of five years, the sales in the last five are 158 per cent. greater than in the period ending in 1879; as compared with the period ending in 1874, 174 per cent.; with 1869, 243 per cent.; with 1864, 259 per cent.; with 1859, 594 per cent., and with 1854, 633 per cent. The money value in 1870 was $4,616,459, and in 1885 over $12,000,000.

What city in the world can present a parallel to this rapid progress in any staple department of trade.

Situated in the heart of the tobacco-producing regions of the world—the metropolis of the State which produces more than one-third of 1 per cent. of the entire tobacco yield in the United States, accessible at less cost than any other market—Louisville is destined not only to maintain her position as the largest and best leaf-tobacco market in the world, but to largely add to her present vantage ground.

This immense and yearly increasing trade in leaf-tobacco has had its influence in stimulating the manufacturing interest. New factories have been established every year, and old firms have enlarged their capital and capacity. The same causes which have operated to make Louisville the largest leaf-tobacco market in the world will in time make it the largest manufacturing tobacco market. The revenue from this source, already great, has been, and will continue, steadily on the increase.

DISBURSEMENTS AT LOUISVILLE.

Another question bearing both directly and indirectly upon the establishment of a subtreasury is the amount of public money disbursed. In this particular also it will be found that Louisville will compare favorably with the majority of the subtreasury cities. I call special attention to two branches of the public service wherein large payments are annually made—pension agencies and post-offices.

The pension-list of the United States on the 30th June last amounted to 345,125 persons. The total amount paid last year for pensions was $64,933,288.12. This enormous business is now transacted by eighteen agencies, one of which is located at Louisville. Of the nine subtreasury cities only five—New York, Boston, Philadelphia, Chicago, and San Francisco—have pension agencies.

The disbursements at Louisville on this account last year were $1,815,926, an amount yearly increasing, and which is now greater than the disbursements of any two of the subtreasury cities where no such agencies are located.

The disbursements on account of the post-office business at Louisville are also very large, and compare favorably with the subtreasury cities. In evidence of this I call attention to the following table:

Statement of postal funds deposited by the postmasters at the following-named offices during the fiscal year ended June 30, 1885.

Office.	Amount.	With whom deposited.
New York	$3,626,143 10	Assistant treasurer at New York.
Philadelphia	715,568 03	Assistant treasurer at Philadelphia.
Chicago	708,944 03	Assistant treasurer at Chicago.
Boston	463,244 44	Assistant treasurer at Boston.
Saint Louis	218,751 08	Assistant treasurer at Saint Louis.
San Francisco	208,914 07	Assistant treasurer at San Francisco.
Baltimore	206,623 19	Assistant treasurer at Baltimore.
Louisville	145,635 09	Assistant treasurer at Cincinnati.
New Orleans	101,892 13	Assistant treasurer at New Orleans.
Cincinnati	80,481 26	Assistant treasurer at Cincinnati.

There not being an assistant treasurer at Louisville the postmaster is a postal depositary and received from other offices during 1885 $27,953.64, which, with his surplus revenues, was transmitted to the assistant treasurer at Cincinnati.

D. McCONVILLE, *Sixth Auditor.*

It will thus be seen that Louisville deposited more last year than either New Orleans or Cincinnati. As a further evidence of extent of the postal business of Louisville I find from a statement for year 1883, which is the last one I have at hand, that the receipts of that office were $319,253. I also call attention to the following items of receipts:

	Number.	Amount.
Domestic money-orders issued	19,293	$263,016
Drafts on postmaster at New York	261	672,000
Deposits from postmasters	7,853	846 263

The total receipts were $1,816,398.

Also to these items of disbursements:

	Number.	Amount.
Domestic money-orders paid	110,478	$1,774,381
Postal notes paid	11,504	22,589

The total disbursements were $1,816,398.

RECAPITULATION.

I have thus hastily and imperfectly, Mr. Speaker, presented the facts upon which the claim of Louisville for the establishment of a subtreasury is founded. Neither as to their substance or verbiage do I present them as original with myself. They are well known to our people and have been repeatedly made public through our press. I call attention to them now in connection with the pending bill. I have shown the central location of our city with reference to the two great valleys of the Ohio and Mississippi, whose phenomenal growth in wealth and population are a part of our common history.

I have called attention to the extraordinary facilities of rail and water transportation which enable our business men promptly to reach every part of their great tributary territory. I have called attention to some of the leading industries of our city and the immense capital employed in them for the purpose of demonstrating our advantages as a distributing point, thus rendering unnecessary the expense incident to the transfer of coin or bullion. I have presented in detail the actual and prospective revenue of our city showing that its present rank as a revenue-paying city is higher than half of the cities where subtreasuries are now located. I have presented the facts from official sources to show that this rank will be higher in the future than in the past, that all our sources of revenue will steadily and greatly increase in the immediate future. I have endeavored to show from the official reports an existing and pressing demand for another subtreasury. All the vaults of the Government are now full to overflowing. "Persons," to quote from the last report of the Treasury, page 15, "occupying the positions of messengers and laborers are now engaged in handling, counting, shipping money, and doing other clerical labor." Banks have not usually the means of holding coin and bullion.

In modern times large safes and large vaults are not kept even by the largest banks. The subtreasuries are the only proper receptacles for Government funds. The urgent necessities of the case and the immense cost of transportation induced the present Secretary of the Treasury to resort to the extraordinary expedient of using war vessels to transport the coin of the Government, and in this way over $10,000,000 were brought to Washington from New Orleans. The local and governmental needs unite in urging further subtreasury room. The propriety of immediate action upon the present bill results from the fact that a new custom-house is now in course of erection at Louisville, and vaults could be put in without additional expense.

Resting, then, upon these facts, I now, Mr. Speaker, submit this bill to the decision of the House, with the full reliance that it will do whatever is just and right in the premises.

The proceedings of the Board of Trade of Louisville, Ky., together with letters from leading bankers and citizens, I will ask to append to my remarks.

APPENDIX.

LOUISVILLE BOARD OF TRADE,
Louisville, Ky., January 30, 1886.

DEAR SIR: The undersigned has been instructed to forward to you the enclosed communication, under date of the 25th instant, from the members of the Louisville Clearing House Association suggesting some reasons why the bill introduced by you to establish a subtreasury at Louisville, Ky., should in their opinion pass.

At a meeting of the board of directors of the Louisville Board of Trade, held on the 29th instant, the inclosed resolution was adopted, and the undersigned was instructed to forward same to you.

Very respectfully,

H. A. DUDLEY, *Secretary.*

Hon. A. S. WILLIS, M. C.,
Washington, D. C.

LOUISVILLE BOARD OF TRADE, *January* 29, 1886.

At a meeting of the board of directors of the Louisville Board of Trade, held this day, the following resolution was adopted:

"*Resolved*, That the board of directors of the Louisville Board of Trade having considered the reasons for establishing a subtreasury of the United States at

Louisville, Ky., set forth in a communication dated January 25, 1886, from the members of the Louisville Clearing House Association to Hon. A. S. WILLIS, M. C., respectfully approve and adopt the same, and submit the arguments therein presented as an expression of the opinion and wishes of this commercial community."

From the minutes of the board.

HARRY WEISSINGER, *President.*
H. A. DUDLEY, *Secretary.*

LOUISVILLE, KY., *January* 25, 1886.

Hon. ALBERT S. WILLIS, *M. C.*,
Washington, D. C.:

DEAR SIR: The undersigned banks, members of the Louisville Clearing House Association, beg leave to express their pleasure at your introducing House bill No. 902, for the establishment of a subtreasury of the United States at Louisville, Ky., and beg leave to suggest the following reasons why that bill should, in their opinion, pass, to the honorable members of the Committee on Coinage, Weights, and Measures:

First. The undersigned respectfully call attention to the commercial and industrial importance of the city of Louisville, having with the cities of New Albany and Jeffersonville, at the Falls of the Ohio, a population of 200,000 inhabitants, being almost the center of population of the United States, and is an important entrepôt to the commerce of Kentucky, Tennessee, Arkansas, Northern Texas, Mississippi, Northern Alabama and Georgia, and Southern Indiana and Illinois, and which is headquarters of the second largest internal-revenue collecting district. The interest and convenience of the people in this large section of the country would be greatly promoted, as well as that of the city of Louisville and her sister falls cities, by the establishment of a subtreasury.

Second. The South has at present but one subtreasury (at New Orleans), located at the extreme southern part, and we think is entitled to another such institution in the northern section. We think the gentlemen of the committee to be perfectly aware of the growing importance of the Southern States from an industrial and commercial standpoint to concede this point.

Third. If the silver dollar is to become an active factor in the disbursements of the Government, it will undoubtedly be advantageous to have as many points as possible, where silver dollars may be paid out, exchanged into silver certificates, and paid out again until the people become more accustomed to the handling of that class of coin. We think Louisville would be a good point for that purpose.

Fourth. The banks in Louisville are now compelled to send their surplus silver and uncurrent United States moneys to subtreasuries in other cities, causing them a heavy tax for transportation and loss of interest, which is the more burdensome as the Louisville banks act as correspondents to many country banks throughout the territory above indicated. They, as well as the Louisville banks, would be benefited by the establishment of a subtreasury here.

Fifth. If a subtreasury would be established at Louisville, the Louisville banks would be enabled to deposit on account of their correspondents 5 per cent. funds, which they can not do at home now, thus placing the banks here at a disadvantage as against other established reserve cities.

Sixth. The pensioners of the United States, who draw their pensions at this agency, get their pay in checks on New York and other points, except the number now drawn on the First National Bank of Louisville, thus putting these people to cost and delay in getting their pay, which would be avoided by the drawing of their checks on the subtreasury here, and which would be a convenience and saving to this large class of worthy people.

Seventh. The custom and revenue offices of this district, as well as the banks and the people of Louisville, would certainly be benefited by being able to make interchange of one kind of currency into another at home if a subtreasury was established at this point.

Eighth. The custom-house, now being built here, could easily and with little cost be completely and conveniently arranged for suitable offices, safes, and vaults for the reception of the Government funds. This will, without doubt, be necessary at some time, and it would certainly be cheaper and better to build such vaults while the building is being erected than to postpone the work, thereby causing expensive and objectionable alterations afterward. In the mean time quarters in our present custom-house can be provided at moderate cost.

Hence the undersigned respectfully request you to urge the above considerations upon the honorable Committee on Coinage, Weights, and Measures, and beg a kind consideration of their petition for the passage of your bill No. 902 as above.

(Signed by Thomas L. Barrett, president Bank of Kentucky; Sam'l Russell, president Bank of Louisville; John B. Smith, president Bank of Commerce; J. H. Huber, cashier People's Bank of Kentucky; Jacob Kringer, sr., president Masonic Savings Bank; J. F. Barret, cashier of German Security Bank; George Davis, president Fourth National Bank; Jno. E. Green, president Second National Bank; James A. Leech, cashier Louisville City National Bank; James M. Fetter, president Kentucky National Bank; Falls City Bank, by W. Tillman, cashier; Merchants' National Bank, Louisville, Ky., by J. H. Lindenberger, president; Louisville Banking Company, by John H. Leathers, cashier; German Bank, by P. Vigline, president; Third National Bank, E. C. Bohné, cashier; Farmers and Drovers' Bank, by J. W. Nichols, cashier; The Western Bank, by Henry Hurter, cashier; German Insurance Bank, by J. D. Fischer, cashier.

THE THIRD NATIONAL BANK,
Louisville, Ky., January 16, 1886.

DEAR SIR: In reply to your favor of the 12th instant I beg to state a few reasons why your bill to establish a subtreasury in this city should be passed, in my opinion.

First. If the silver dollar is to be made an active factor in commercial transactions, the Government agency will be necessary to introduce it among the people, as the banks are not in a position to force that bulky metal into use. For this reason I believe that a subtreasury should be established in every city of 100,000 or more inhabitants. As it now stands, the banks are compelled to take the silver dollars from their retail customers, can not force them out again on the clearing-house, or on any one presenting checks, to any great extent, and have to deposit the surplus in a subtreasury. Louisville, having no such institution, is compelled to ship its surplus silver to the nearest subtreasury (Cincinnati), and the banks of Louisville are thus compelled to pay a considerable tax for the benefit of the Government's silver. (This bank pays often as much as $15 to $20 per month express charges on silver dollars to the subtreasurer in Cincinnati. This makes about $200 per annum, and for twenty-two banks in Louisville this tax is equal to $4,400, which could be saved to Louisville banks if the silver could be deposited here.) Silver, thus buried in a few subtreasuries, becomes naturally a burden to the Government, while, if there were more subtreasuries, it could be paid out for interests due by the Government, pension checks, salaries, &c., and thus kept in active circulation, when people would gradually become more accustomed to it, and especially if Congress would abolish paper money below $5, the present stock on hand might be totally absorbed.

Second. Under the national-bank system Louisville is a reserve city. But national banks in the country can not get the necessary accommodations out of Louisville as a reserve center, because Louisville banks can not make deposits with subtreasuries on account of their corresponding banks' 5 per cent. fund. I know from experience that this fact is hurtful to the banking interest of this city.

Third. The pensioners of the United States who draw their pay at this pension agency get checks on New York and other places in payment, and are compelled to dispose of them here, often at a discount. The frequent occurrence of indorsements not scrupulously correct and the frequent return of these checks are an everlasting source of annoyance and loss to the poor and ignorant people who hold them. All such annoyances and losses could be avoided by the establishment of a subtreasury here, where pension checks could be drawn on this city, cashed, and, if necessary, corrected *in loco* without trouble or expense.

Fourth. Louisville is headquarters of the second largest revenue collection district in the country and its customs collection business is on a steady increase. A subtreasury would no doubt be a great help to the officers in the revenue and customs service.

Fifth. If new vaults for the reception of silver dollars must be built by the Government it will be just as cheap to build a few of them in our new custom-house here, in charge of a subtreasurer, as anywhere else, and the convenience of the Government to have them scattered over the country is evident.

As practical illustrations of the necessity of a subtreasury in this city, I beg to add a few instances which occurred in this bank to-day and which frequently take place. A corresponding bank in Alabama sends us a bag of legal-tender silver dollars for exchange into silver certificates. We have to ship that silver to the subtreasury at Cincinnati at an expense of 80 cents per thousand to make the desired exchange. Another bank in Indiana requests us to place a certain sum with the Treasury of the United States for credit of its redemption fund. We have to do this through our correspondent in New York or some other subtreasury city at the cost of the ruling rate of exchange.

The above examples show that Louisville as a financial center is placed at a decided disadvantage as against other places where subtreasuries are established.

Very respectfully, yours,

E. C. BOHNÉ.

Hon. A. S. WILLIS, M. C.,
Washington, D. C.

LOUISVILLE, KY., *January* 18, 1886.

DEAR SIR: The establishment of a subtreasury in our city would give great satisfaction to the banks and bankers of our city and State. A subtreasury would facilitate business, save time and labor, and reduce expenses in all transactions of collecting Government checks, redeeming mutilated paper, and exchanging notes, gold and silver coin, which now have to be transmitted to or procured from cities of the Middle and Eastern States as Cincinnati, Ohio, New York or Washington, D. C.

In these benefits for the banks would of course largely share the producing, manufacturing, and commercial classes of the State, towns, and cities.

As you are all aware, Kentucky has great natural resources of soil, timber, and mine, and on account of her whisky and tobacco interests stands fourth among the States of the country with regard to tax-paying capacity. Louisville, most favorably situated geographically, is the industrial and commercial metropolis and railroad center of the State, and has an estimated population of 160,000 and value of assessable property of $65,000,000; true value, $100,000,000.

The city contains 1,300 manufactories, representing capital to the extent of $28,000,000, with 22,000 operatives, producing annually $50,000,000 of goods.

There are many great and growing branches of industry and trade, as leather, furniture, plows and cultivators, wagons and carriages, iron works, cement, woolens, distilled and malted liquors, manufactured tobacco, live-stock, and others, and corresponding therewith financial transactions.

More particularly Louisville is located in or near the center of the tobacco-growing regions of our country and pre-eminent as a leaf market. There have been sold in this market during the year of 1885, 127,946 hogsheads of leaf-tobacco of from 1,000 to 2,200 and more pounds each, and representing a value of $12,000,000 to $14,000,000, earning for our city the undisputed title of the greatest tobacco market in the world.

Hence Louisville is entitled to some consideration and has as fair a claim to a subtreasury as most of the larger cities in the East, or as Cincinnati, Ohio, or Saint Louis, Mo.

Most valuable, advantageous, and important as a subtreasury here would prove for Louisville and Kentucky and surrounding sections of the country with our present state and management of national finance, currency, and coinage, and system of national and State banking, the probability of silver continuing as one of the legal-tender metallic moneys of our country, and the contingency of its remaining such in a large part of the commercial world, supported by wise legislation, may make a subtreasury in our city an actual necessity with a view to daily or hourly deposits in such institution of gold and silver coin, and eventually bullion or bars in exchange for notes or certificates for circulating purposes or reverse transactions.

I remain, sir, yours very respectfully,

C. L. FRANKE.

Hon. ALBERT S. WILLIS,
House of Representatives, Washington, D. C.

MERCHANTS' NATIONAL BANK OF LOUISVILLE,
Louisville, Ky., January 19, 1886.

DEAR SIR: When you consider the large amount of internal revenue as shown by the Department records collected in this and the contiguous districts in this State, and the large number of citizens directly and indirectly interested in the business resulting therefrom, whose convenience will be promoted by the ordinary facilities afforded through the operations of a subtreasury, the equity and fitness of the establishment of one here becomes apparent.

It should be borne in mind that the traders and dealers in an area of territory making this city their financial and commercial center, embraces a very considerable part of Arkansas, Texas, Kentucky, Tennessee, North Alabama, North Mississippi, North Georgia, Southern Indiana, and Southern Illinois, and that the importance of this city as a central commercial point is entitled to national recognition.

I do not doubt that the committee will report favorably on your bill.

With regards, very truly yours,

J. H. LINDENBERGER.

ALBERT S. WILLIS, Esq.,
Washington, D. C.

LOUISVILLE, KY., *January* 20, 1886.

DEAR SIR: At the annual meeting of our Clearing House Association, held yesterday, we voted unanimously to request you to push your bill in the House for the establishment of a United States subtreasury in this city. A petition to this end is being prepared for presentation in Congress and will be signed by all our banks, both State and national. As you are fully aware we are entitled to this by our geographical position, and very much can be said in our favor while little can be advanced to the contrary—nothing so far as we can see beyond the argument of economy. We will highly appreciate your assistance and hope the measure may be carried without difficulty.

Yours, truly,

JOHN B. SMITH, *President.*

Hon. ALBERT S. WILLIS,
Washington, D. C.

LOUISVILLE, KY., *December* 30, 1885.

DEAR SIR: I saw from the papers some days since that you were making an effort to have a subtreasury or assistant treasury established here. This is something needed here, and especially if silver is continued to be coined in such quantities as heretofore. As it is now we have to send our surplus silver to Cincinnati at our own expense, and we frequently have large quantities of it. If this is not done then silver ought to be carried at Government expense to and from points at which there is no subtreasury. Something will have to be done with the silver question. What should be done is a difficult question. If the coinage could be suspended for a time and the Government adopt some plan by which to get silver in circulation through the country the present feeling in regard to it will be dissipated. It is a very popular money, especially with the masses. Many poor people will hide it away when perhaps they never see paper or gold. The trouble is that silver has only found its way to the larger cities in great quantities, while in the smaller towns and in the country it does not circulate to any great extent. It seems to me that if some plan could be adopted by which the smaller towns throughout the country could be supplied without the expense of transportation vast quantities of it could be used, and it would cease to be such a nuisance to the larger commercial centers. In no event should it be demonetized nor any step taken looking to it. Neither can we safely add to the present silver dollar. The Government can not change to meet the varying value of bullion. To do so would be to unsettle values, a thing to be avoided if possible.

Yours, truly,

SAM'L RUSSELL,
President Bank of Louisville.

Hon. A. S. WILLIS,
Washington, D. C.

LOUISVILLE, KY., ——, 188–.

DEAR SIR: The establishment of a subtreasury in our city would be of very great importance and benefit not only to our city, but to the entire scope of country tributary thereto, of which Louisville may be called the gateway between the North and the South. It would further seem to me that the millions of revenue collected annually in this and the surrounding districts would render it a great convenience to the Government also. I am thoroughly satisfied that it is a measure that should pass, and believe the act will meet the hearty approval of the citizens not only of Kentucky, but of Southern Indiana, Southern Illinois, Tennessee, a good portion of Arkansas, Texas, Mississippi, Alabama, and North Georgia, who largely rely upon Louisville for their general supplies. The measure is most heartily indorsed by our merchants, manufacturers, and those who contribute most largely to the revenues throughout this district, and I sincerely hope your efforts in its behalf may prove successful.

Very respectfully, yours, &c.,

J. M. ROBINSON.

Hon. ALBERT S. WILLIS,
House of Representatives, Washington, D. C.

NOTE.—On the 26th of last month, since the foregoing statement was made, the Treasury Department through the acting Secretary of the Treasury, Hon. C. S. Fairchild has sent to Congress a letter asking for an appropriation of $100,000, to be immediately available for additional storage and transportation of silver.

"The last appropriation for this purpose," says Mr. Fairchild, "was $100,000 made in 1883, of which there remains unexpended the sum of $1,707.28. In view of the fact that the amount of standard silver dollars required to be coined under existing law is about $27,000,000 each year, and that the remaining space available in the vaults of the subtreasury offices other than at New Orleans is not sufficient for the storage of the coinage for the ensuing twelve months, it is deemed advisable and prudent to ask that a suitable appropriation be made to enable the Department to erect vaults in some other of the subtreasury offices, leaving the vault at New Orleans free for the storage of the accumulation of the coinage executed at the mint in that city."

Silver Coinage.

And Moses returned unto the Lord, and said, Oh, this people have sinned a great sin, and have made them gods of gold.—*Exodus*, xxxii, 31.

SPEECH

OF

HON. SEABORN REESE,

OF GEORGIA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, March 20, 1886,

On the bill (H. R. 5690) for the free coinage of silver, and for other purposes.

Mr. REESE said:

Mr. SPEAKER: There have been very exhaustive debates on this question at both ends of the Capitol and reasons cogent enough to convince any one, except those who regard their own interests rather than those of the country, that there should be not only a continuance of the coinage of silver under the Bland act, but that an unlimited coinage for several years at least would be advantageous to the people and to trade, commerce, and manufactures. The aggressive movements of organized wealth against the masses of this country are remarkable alike for their persistent and unrelenting power. Let us take a rapid review of some of them since 1865.

In 1869 Congress passed an act to pay the bonds of the United States in gold and silver coin. When the bondholder purchased his bond with greenbacks it would have taken two dollars in greenbacks to get one dollar in gold or silver coin, and in 1869, when they procured the passage of that act, one dollar in greenbacks was only worth 70 cents in coin. In other words, they loaned the Government one dollar in paper money, worth only 50 cents at the time in coin, and received interest on it at par in gold ever since, and in 1869 said to the tax-payers: "I will not take back the same money I have loaned you, although you have paid me interest on it in gold, but you must pay me back my principal in gold and silver coin." Was not this the most impious piece of impudence? They would have taken and been satisfied, in 1869, with silver coin. They schemed for it, prayed for it, demanded it, and tried to make it appear that unless the act was passed the public credit was in danger.

Why would they have been satisfied with silver in 1869? Because it was then at a premium of 30 per cent. over the money they had loaned, and the poor tax-payer, the brawn and muscle, the yeomanry, the wealth-producer, the men who were digging millions of wealth from the earth in the great West, and the impoverished, though resurrecting, South, these moving, living masses, upon whose shoulders this great nation was being lifted into splendor and power, were then and there being cheated by their lordly creditor, the bondholder, and were duped by their misrepresentatives in this American Congress into promising not only to pay the debt, but to pay 30 per cent. premium besides the interest on the loan. This seemed to satisfy the ravenous maw of insatiable "money-bags;" but, alas! it was soon discovered that this act could not operate to suit them, and on the 14th of July, 1870, "money-bags" was again at the front, and the act then passed by Congress extended the time of payment of the bonds, exempted them from taxes, Federal, State, &c., lowered the rate of interest, and had printed on them that they were to be paid in coin of the standard value of that date.

Another attack upon the rights of the people! This did not suffice. No sooner than resumption had taken place, and Congress to supply a sufficient circulating medium to meet the growing necessities of trade and commerce by the passage of the act 28th February, 1878, known as the Bland act, than these same favored classes, who pay scarcely any taxes, who care nothing for the toiling millions of their fellow-citizens, cry out in their disturbed luxury, "If you force us to take silver coin in payment of our bonds you will ruin us and the national credit, and inconvenience us in hauling off silver coin," which they schemed and clamored for in 1869 and 1870; and when the representatives of the people awoke to the inroads being made upon the rights they were intrusted to guard, and cried, "Halt! you shall receive what the people have to take and what you demanded and cunningly obtained by the acts of 1869 and 1870," and say to them, "You shall not debase and depreciate our silver, the circulating medium of our trade and commerce," these favored, law-pampered "money-bags" raised their hands in pleading gesture and rolled their eyes to Mammon, and with an Aminidab Sleek voice cried out:

> Let ragged virtue stand aloof,
> Nor mutter accents of reproof;
> Let ragged wit a mute become
> When wealth and power would have her dumb.

It is not new in the history of legislation that attempts are made to divert its most important work from the wants of all to those of the few who need it least. A just legislation discriminates neither in favor of individuals nor classes. It owes and it gives protection to the possession of the rich, whether acquired by inheritance or fortune or the successful employment of industry or talent. But it gives also protection to the poor in defending them from oppression and encouraging them to persistence in rewarded toil. Every reader of Roman history knows what oppressions were put upon the peasantry of the empire by farming out to special favorites the revenues.

It seems almost incredible, yet it is true, that at last under such a policy nine-tenths of the real estate of the whole empire was owned by not more than twelve hundred wealthy citizens of Rome. Lessons like this from the past can always be studied with advantage by those who sincerely wish for the good of all. It would seem singular, but for so many examples, that the same sort of attempts should be made in a country like ours, so large, so powerful, so generous, while yet in its infancy, where immense territory is undeveloped, rich in every resource of nature and in a government founded upon principles for the protection of the governed. But the bondholder in this country like the Roman senator, the senator under the empire, seems to be seeking to own all the land as well as the proceeds of the sweating toil of those who work it. The bondholder, yet like that subservient favorite of the emperor, does not wish to take the trouble and the risk of adventures in the various fields of human endeavor, but he prefers to sit at home or disport in his yacht and let the showers of gold daily refresh him as he lounges, eats, and drinks, careless, oblivious, forgetful, and even indifferent, to the condition of the masses of the people.

Harmony between capital and labor is the normal condition, and they are reciprocally dependent. There should be no clash of interests, and there would be none if the Government would offer no greater protection or assistance to the one than the other. Experience has taught that the concentration of wealth in the hands of a few has produced an abnormal condition, and while I am no sympathizer with communists, socialists, or agrarians, nor do I antagonize wealth nor condemn its accumulation, yet I am unwilling to grant protection to

the few at the expense of the many. What a spectacle is now presented to the American people.

Notwithstanding all the favors the bondholder has received from the Government under the acts of 1869 and 1870, and of the various Secretaries of the Treasury, and the calls made and the determination past and present to pay them in gold coin instead of silver coin, they are now using all their ingenuity and power to strike down and bring into disrepute, by open and covert means, our silver coin. Do they not know that silver is the money of the masses? Do they not know that the great and wealth-producing part of our country, the agriculturists, are suffering from Maine to Oregon, from the lakes to the Gulf, for want of markets, and that they are compelled to rely upon home consumption mainly? That scarcity of money will still more depress and the stoppage of coinage will produce this money stringency? Of course they do. But what care they who hold the bonds of the Government and pay no taxes, who hold mortgages on the lands of the West and South, if they can make the debtor work two days instead of one to pay his debts, because they live on money, by money, and the hard, sleepless interest of money.

The time has been when the people slept in fancied security from the danger of this organized power of wealth in the hands of a few, and they would have slept on had not their power of rest been gradually drawn from them; and now there is unrest, unrest among all classes, the farmer, the miner, the laborer, the artisan, and mechanic. Continued oppression has aroused the masses, and to-day guilds and all kinds of organizations are being born, growing like giants all over the country. Born of necessity, nurtured by want, and clamoring at the doors of Congress for protection! The time has been when to oppose the fearful power of concentrated wealth would have been to "swim with fins of lead, and to hew down oaks with rushes."

But now, the antagonism is demanded and the people are at the back of their representatives and they must resist it for them. While I am no alarmist and there is no member of this House who would shrink from uttering one word or sentiment that would add to the already widening breach between classes than I, yet, judging the future by the past, I believe that the great danger to this nation is the concentration of capital. By this I do not mean the man of ordinary wealth who has made it in a legitimate and honorable way, but I refer to that class whose accumulated millions consist of the blood and sweat of their fellow-men. This produces a pride which Mr. Carlyle in his graphic and philosophic work on the French Revolution says was the worst of all prides—"pride of birth, pride of office, any known kind of pride being a degree better than purse pride."

Such a condition of course would be most distasteful to the masses, and then antagonisms dangerous to peace, good order, and security would follow; then upon the other hand the demand would come for strong government. Alarm will drive the law making power to advance to the preservation of order and security, and we would soon learn to rely upon the central powers of government, and step by step the government of the people would become the government of centralized power, and our boasted liberty would be swallowed up in the vortex of concentrated power to protect concentrated wealth.

> Wealth heaped on wealth nor truth nor safety buys;
> The danger gathers as the treasures rise.

What are the reasons assigned by the advocates for the suspension of the coinage of silver? Perhaps there is no better way of stating them than as I find them set forth in a printed circular sent out by those advocates all over this country for signatures to be sent to members of this House, every one of whom I presume has received one. It reads as follows:

To the honorable Senate and House of Representatives of the Forty-ninth Congress of the United States, at Washington now assembled:

Your petitioners respectfully represent that it is their conviction that the law requiring the Secretary of the Treasury to coin not less than $2,000,000 per month of standard silver dollars should be immediately repealed.

The law has now been in operation for over seven years, and experience has shown that not only has it failed in every promise prophesied by its projectors, but it has proven to be of great inconvenience to the people, detrimental to mercantile, manufacturing, and legitimate banking interests, dangerous to the credit and welfare of the Government, and at this time is retarding the increase of prosperity and menacing the finances of the country.

We are therefore impelled to recommend the repeal of said law, and, as in duty bound, will ever pray.

And I may add another reason advanced and confidently pressed by them: that it will drive gold from this country. Let us examine some of the most important of these reasons. That it will drive gold from this country has been clearly refuted by the statistics of the imports and exports of gold since the passage of the Bland act in 1878. Since 1878, and including that year, the importation of gold coin and bullion has exceeded the exportation $187,280,257, and the exportation of silver coin and bullion has exceeded the importation in the same period of eight years $68,230,256. This certainly is sufficient to satisfy any unprejudiced mind that the coinage of silver has not repelled if it has not attracted gold to this country. But experience teaches us that the influx or efflux of gold depends largely upon the balance of trade. Now let us examine the imports and exports of merchandise for the eight years succeeding the passage of the Bland act.

Imports and exports of merchandise.

Year.	Imports.	Exports.
1878	$422,896,834	$680,683,298
1879	433,679,124	698,340,790
1880	656,262,441	823,946,353
1881	624,213,229	883,925,947
1882	707,337,049	733,239,732
1883	703,565,144	804,223,632
1884	652,148,936	724,964,852
1885	562,020,520	726,682,946
Total	4,762,123,277	6,076,008,050

Imports of merchandise, 1878 to 1885	$4,762,123,277
Exports of merchandise, same period	6,076,008,050
Excess of exports	1,313,884,773

From this table it will be seen that the exports exceed the imports for that period $1,313,884,773. Now let us examine the

Imports and exports of merchandise and coin and bullion for the eight years next preceding the passage of the Bland act.

IMPORTS.

Year.	Merchandise.	Coin and bullion.
1870	$419,803,113	$12,147,315
1871	505,802,414	7,231,395
1872	610,904,622	6,664,395
1873	624,689,727	10,777,909
1874	550,556,723	21,524,187
1875	518,846,825	12,625,704
1876	445,938,766	9,469,070
1877	438,518,130	27,746,914
Total	4,115,062,320	108,186,889

EXPORTS.

Year.	Merchandise.	Coin and bullion.
1870	$376,616,473	$13,883,802
1871	428,398,906	84,403,359
1872	428,487,131	72,789,240
1873	505,033,439	73,905,546
1874	569,433,421	59,699,686
1875	499,284,100	83,857,129
1876	525,582,247	50,038,691
1877	589,670,220	43,134,738
Total	3,932,505,939	511,721,191

Imports of merchandise from 1870 to 1877	$4,115,062,320
Exports, same period	3,932,505,939
Excess of imports	182,556,381
Imports of coin and bullion, 1870 to 1877	108,186,889
Exports, same period	511,721,191
Excess of exports	403,534,302

This shows an excess of imports of merchandise for that period to be $182,556,381, and an excess of exports of coin and bullion to be $403,534,302. Therefore, it clearly demonstrates that with the balance of trade in our favor, which has been the case since the act of February 28, 1878, there is no real foundation for the alarm of the gold-bugs. Has the coinage of silver impaired the public credit? The query answers itself. The idea of the credit of this great country being injured or even impaired because we have coined $203,000,000 of silver or may coin two hundred and three millions more, with the strides of development going on from ocean to ocean, with science, art, and industry ablaze in the hands of the most enterprising population upon earth; with undeveloped resources that would make the mines of Golconda pale into insignificance, and an increasing population from natural causes as well as immigration requiring an increased circulating medium to meet the demands of internal commerce that will keep the machinery of the mints hot for years!

Indeed we need no further credit. Our credit, if such a thing could be possible, is too good. The pledge of this nation's faith, the greatest and most powerful on earth, and its grand possibilities, is sufficient collateral for the money-lenders of the balance of the world if not for Wall street. How can we hurt our credit by offering the bondholder silver and gold coin for what we owe? Is there an American citizen holding a bond, who took it under the act of July 14, 1870, unpatriotic enough to refuse credit, if the emergency should arise to ask it, provided we paid him his bond in gold and silver coin, when he sought it, in the acts of 1869 and 1870?

And as there is only about one-tenth of 1 per cent. of the bonds held abroad and only an infinitesimal part of the bonds which can be paid before 1892 held by foreigners, oh, sir, this is a weak design of the enemies of the people to parade a phantasm before their representatives to frighten them from the care of the toiling millions.

What can be the causes which impel this attack upon silver?

The logic of statistics is absolutely overwhelming against it; the experience of eight years refutes the principal reasons advanced by its advocates. Then why do we find such strong supporters of the gold-standard theory? I venture to assert that among them here upon this floor and in the Senate there is hardly a man who is not directly or indirectly interested in money or bond speculation. Understand me, Mr. Speaker, I do not impute intentional wrong doing to any supporter of the theory in this House or the Senate, but we all know that—

> When self the wavering balance shakes,
> 'Tis rarely right adjusted.

Let any of these gentlemen open their ears and they will hear an unmistakable sound from the people, rising from all sections of the country; from the mining camps of the far West; from the fertile plains and valleys of the West and South; from the primeval forests, where untold wealth lies bound up in stately trees awaiting the stroke of the woodman's ax and the hum of the saw to strike asunder its chains of nature and turn it loose upon the world to meet the demands of civilized man; from all quarters, from all classes the cry has gone forth and has reached the capital of the nation, demanding silver as their coin, their money, or its representative, the legal certificate for the same. Only a wail from the few money centers and a feeble cry from provincial bankers to give them one standard of value and one more chance to unsettle values and grow richer by the legerdemain of cunning speculation. These hungry gold-bugs have closed the ears of some of the peoples' representatives by a trick of figures and dire forebodings, and they seem to be deaf to the demands of the great masses of their countrymen for whom they should legislate.

It is also inconvenient, we are told. It is said of old that the Sybarites would not allow the artisan to engage in his vocation within the limits of their city lest the noise would inconvenience them. Neither would they allow a cock to be in their city because his crowing at the dawn disturbed their slumbers. But the American people do not intend to have their heads cut off or wrung off merely for the sake of deeper repose to bloated bondholders or Wall street gamblers.

Issue certificates and make the silver convenient and portable. Do not restrict the issue; do not in the face of such a demand for silver certificates as arose under the circular issued by Hon. John Sherman, Secretary of the Treasury, on the 18th of September, 1880, shut off the people from obtaining silver certificates as was done by the discontinuance of it on the 1st day of January, 1885, but allow the Treasury offices of the country to at least issue silver certificates for gold coin deposited under such a circular. The people of the West and South had sufficient confidence in the silver coin to deposit gold and take silver certificates for it to the amount of $80,730,500. Then, where is the occasion for the alarm? Is not a silver certificate as easy to carry about as a gold certificate of the United States? It is no more expensive and useless than a gold certificate. Yet the Treasurer in his report, page 24, says:

> The further issue of silver certificates should be discontinued, being both expensive and useless.

The Treasurer must have been looking through gold spectacles to have arrived at that conclusion. If silver certificates, not only of the denomination now authorized by law would be issued whenever requested by the holders of gold and silver coin, but also in denominations of one, two, and five dollars, then we not only have an increase of circulating medium suitable to the necessities of the country, but convenience added, and the delicate fastidiousness of the bondholder would not be so sorely taxed to transport his wealth. Indeed it does not appear that either the efflux of gold or the impairment of the national credit or inconvenience has as much to do with the fears of the Wall street speculators as their desire to contract the currency and make money scarce and give them an opportunity to realize their fondest hopes—a premium upon their hoarded gold.

Let us not turn a deaf ear to the appeals of the struggling millions who produce and sell and conspire with those who speculate and buy, because forsooth the representatives of the bondholder proclaim with a flourish of banners that "in the commercial world gold is king;" but let us adhere to the money of our fathers and let our riches consist as of old—in cattle, silver, and gold; for we are taught by Holy Writ that "Abraham went up out of Egypt, he and his wife and all that he had, and Lot with him, into the south, and Abraham was very rich in cattle and silver and in gold."

Perhaps the swollen dwellers on Fifth avenue would disdain the degree of wealth posessed by this favored servant of the Most High. Indeed, not long after his day we hear the great lawgiver complaining of what effect mere gold had produced upon the people: "And Moses returned unto the Lord, and said, Oh, this people have sinned a great, sin and have made them gods of gold."

Yes, and there are those in this great, free American country who have made them gods of gold and year after year cry out to us, the representatives of the people, "Come, fall down and adore with us." I, for one, representing a toiling people who seldom see a piece of gold unless it may be in simple ornaments on the bosoms and fingers of their wives and daughters, will not bend the knee, because their gods are not my people's gods.

Hon. Joseph Rankin.

REMARKS
OF
HON. EDWARD S. BRAGG,
OF WISCONSIN,
IN THE HOUSE OF REPRESENTATIVES,

Thursday, March 25, 1886.

The House having under consideration resolutions of respect to the memory of Hon. JOSEPH RANKIN, late a Representative from the State of Wisconsin—

Mr. BRAGG said:

Mr. SPEAKER: The House is convened under special order as a mark of respect to the memory of my deceased colleague, the late Hon. JOSEPH RANKIN, a Representative from the fifth district in the State of Wisconsin, and to permit his friends and associates in this body to pay their tribute to his character as legislator, soldier, citizen, husband, father, and friend. Those who knew him best esteemed him most.

He was a native of New Jersey, born at Passaic September 25, 1833, but in his childhood was removed to New York, and was educated at the Homer Academy in Cortland County, then justly celebrated for the thoroughness of its teaching and the impress of manhood it stamped upon the character of its students.

In his earliest manhood he determined to cast his fortune and fate with the then young and growing West, and settled in Wisconsin in 1854, and from that time until his death he remained a citizen of that State, identified with its interests and legislation, and became a thoroughly Western man in his habits and instincts. When the black cloud of internecine strife broke and deluged the country with blood, the name of JOSEPH RANKIN was quickly attached as a volunteer upon the muster-roll of his country, and with his life in his hand he went to battle for the Union of the States and the preservation of the nation. He was no laggard in war, but for three years did service in the field, participating in many bloody engagements; always cool and nonchalant, winning the respect of his superiors and his subordinates by his gallant example and the love of his men by his kind and considerate attention to their comfort and welfare.

The close of the war found him in Tennessee, where he remained temporarily engaged in private business enterprises until 1868, when he returned to his home in Wisconsin. He was almost immediately called into public life in his county in the management and conduct of the local business of its people, and served them so well to their satisfaction that he was advanced by them to a position of higher grade, with a more extended field for operation, and for eleven years he proved an honest, upright, and faithful representative in the Legislature of the State. In recognition of this service, with full trust and faith in his honesty and capacity, the people of his Congressional district promoted him from the councils of the State to the National House of Representatives.

In 1884 he was re-elected and came to this House with the hand of death upon him, and at the opening of the session took the oath as one of its members, determined to die, if must be, with the harness on. On the 24th day of January of the present year, after a long and painful illness, at an angel's touch "the silver cord was loosened," and his spirit went hence, leaving his mortality at rest.

When I stood by this lifeless clay and looked upon the face once bright and pleasant with life and humor, the light of which had gone forever, I could not but thank the Great Father of the universe for a hope and faith instilled in me by a mother long since in quiet rest, "that death is not the end of man," but is only "sleep's twin sister," and from out that sleep will spring new life, and the body we give to earth to-day will be reproduced, in His own good time, by the processes of the Infinite, whose ways are past finite comprehension, "but who doeth all things well."

It was my good fortune, sir, to have known and associated with Mr. RANKIN for many years. He was a stanch friend, but a plain, unpretending man, who had a thorough contempt for ostentation. He could not move bodies of men by appeals to their passions or to their reason, but he was a clear, practical thinker, with quick, keen perception and an intuitive knowledge of the springs of action which control the action of men as individuals, and herein was his power to accomplish wonderful results. When brought face to face with the man, he rarely failed; hence I class him rather as a manager than a leader of men. He was an experienced legislator, and, by the combination of his qualities of perception and practicality, he was a wise and prudent one, and conservative in all his leanings. As a soldier he was brave and generous, tender and sympathetic as the brave only know how to be.

I was one of the committee of this House charged with the duty of delivering his remains to his State and superintending their committal to their resting-place at his home. And to speak of him as a citizen and the respect in which he was held, I need only say the throngs of people of high and low degree, from Chicago to his home in Northeast Wisconsin, who crowded every station as we passed, and who followed the funeral cortege as it wended its way to the cemetery, is a better recognition of his worth than any words spoken by me.

I feel, sir, that I shall trespass on sacred ground to speak of his inner life in the domestic circle, but I can not forbear saying he was a marvel of tenderness and affection to his wife and children, and he enjoyed in return the wealth of their unbounded love. May the God of the widow and fatherless ever protect and preserve them with His blessing!

As a friend JOSEPH RANKIN was strong and steadfast, and, could he speak from the tomb, would ask no more eulogistic epitaph upon the tablet at his grave than "He was true to his friends."

And now, sir, I must bid my friend farewell.

I shall go to him, but he will not return to me.

Post-Office Appropriation Bill.

SPEECH

OF

HON. JOHN M. TAYLOR,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, March 30, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 5887) making appropriations for the service of the Post-Office Department for the fiscal year ending June 30, 1887—

Mr. JOHN M. TAYLOR said:

Mr. CHAIRMAN: Being a member of the Committee on Post-Offices and Post-Roads, and having been one of the subcommittee specially charged with the appropriations for this service, it will be permissible for me briefly to explain some matters in the bill. The postal service reaches to every nook and corner of our country, and is the vehicle of intelligence to every household comprising our widespread population. This is really the people's bill. They are more interested in this appropriation for efficiently carrying on this service than any other, as all are directly affected. Its importance is beyond calculation, and its efficiency should be promoted by just and liberal appropriations rather than retarded by a parsimonious policy. In other words, nothing should be left undone that would for a moment interfere with the expedition of the service and the supplying the necessities of a well-regulated postal system.

In the preparation of this bill the committee have been considerate and painstaking, desiring to observe the requirements of economy, coupled with the necessities of honest and faithful service, at the same time intending to deal fairly with the questions involved, and have recommended such sums as we thought the exigencies demanded. With a view to an intelligent understanding of the growing needs of the service we have examined expenditures in the several preceding fiscal years, instituting comparisons as to revenues derived from the service, the necessary outlay of money, and the per cent. of increase.

In looking over these we find that the financial summary shows an increase in the deficiency of the postal revenues. For the year ending June 30, 1883, the revenues were in excess of the expenditures, and there was a net revenue derived from the service of $1,633,233.17. For the year ending June 30, 1884, there existed a net deficiency of $5,246,951.42. For the year ending June 30, 1885, there appears to be a total net deficiency (partly estimated) of $8,381,571.41.

It will therefore be observed, Mr. Chairman, that the Department has changed in two years from being more than self-sustaining by nearly $2,000,000 to an outlay above appropriations of more than $8,000,000.

The Postmaster-General in his able and carefully prepared report assigns as a cause for this change a decrease in the revenues and an increase in expenditures, the latter amounting to more than six millions. The decrease, however, is chiefly attributable to the reduction in the rate of letter postage from 3 to 2 cents upon the half-ounce, which was the unit of weight. This reduction under the law took effect on the 1st day of October, 1883, and the decrease of one-third of the letter postage was materially felt in the Department and lessened the revenues considerably, if not correspondingly. The service is growing rapidly with the development of the country and growth of population, and it is expected that if existing laws are undisturbed as to rates there will be pretty soon a net increase.

The estimates upon which the bill of the committee is based amount to $54,987,166.89, which is considered necessary and at the same time to approximately meet the requirements of the service for the fiscal year ending June 30, 1887. We have, after careful consideration and examination and a grouping of all the facts and data attainable by the committee, recommended the appropriation of $54,326,588.07, being $659,578.82 less than the estimates furnished by the Department.

The first item of appropriation is for mail depredations, inspectors, &c., authorized by act of June, 1872, empowering the Postmaster-General to employ special agents and such other agents as the good of the service and the safety of the mails might require, fixing the salaries and traveling expenses of such agents. This section was amended by the act of 1878, inserting for "special agents" the words "post-office inspectors." The estimate was placed at $250,000, but upon an examination of the subject thoroughly and instituting comparisons with expenditures during the years immediately preceding this, taking into account the work of these inspectors and their number, grades, and the duties contemplated to be performed, we have recommended the appropriation of $200,000.

We have been sustained in this reduction by the letter of the Postmaster-General stating that the service would not suffer with this amount.

For advertising and miscellaneous items we have adopted the recommendation of the Department, believing the same to be reasonable and necessary.

For compensation to postmasters we have recommended the appropriation of $11,700,000, being $300,000 less than the estimates and $456,548.94 more than was expended in 1885. The expenditures of the last fiscal year exceeded the appropriations to the extent of $243,848.94, creating a deficiency. We have 48,899 postmasters of the fourth class, and their average compensation is $151.09, aggregating the sum of $7,388,239.94. The number of Presidential offices on the 1st of October, 1885, was 2,249, and the amount thought to be necessary is stated at $3,800,000. An increase is contemplated of some sixteen new Presidential postmasters to the quarter, estimating, as suggested in the report, from the standpoint of a hopeful and prosperous outlook for a season of "peace, prosperity, and plenty" and an improvement and revival generally in business interests.

While our sanguine expectations and desire would lead us to this conclusion, we have not been enabled, looking through the horoscope of the future, to discern that abundant prosperity our hearts might desire. Therefore we have not drawn too liberally upon the public Treasury upon bright anticipations of the near dawn of plenty and prosperity.

We have looked at both sides of the picture, considering present depression and prostration as a clog upon that rapid stride to business prosperity, and consequently reduce the amount $300,000, leaving, in our opinion, a sufficient margin for the growth of the business in this Department.

The next considerable item is that of $5,150,000 as compensation to clerks in post-offices, being the amount recommended and corresponding with that appropriated for the year 1886, for which latter year was an increase of 3½ per cent. over the year preceding. The appropriation for that year was inadequate to meet the demands of the service and an additional appropriation required. This amount is specially for the payment of clerks in the offices who, as a general rule, are closely confined to their duties and, in many instances, poorly paid. The appropriation should be sufficient to warrant the payment of clerks in the fourth-class offices, where mail is distributed and separated. Take for illustration many of the offices in the interior, and we find upon examination that they are central, separating offices for all offices in the county and frequently adjacent counties. They are reached by a number of star routes, necessitating confinement and attention to business by the frequency of incoming and outgoing mails.

These clerks are essentially the servants of the public, and the people are interested to the extent of fair and reasonable compensation to insure efficiency in the prompt delivery and proper handling and distributing the mails. The postal service, as suggested, ramifies the whole country until like net-work it is checkered over with routes extending in every direction. It is the proper and popular means for the dissemination of literature and the news of the world, reaching to remote corners not visited by telegraph; and those whose energy and attention contribute so largely to meet the wants of the people should be rewarded.

These allowances for clerical assistance in separating offices, depend measurably upon the changes in the service, and can be reduced, increased, or discontinued by the Department as the exigencies of the service may require. We find in the report that the separating offices number twenty-three hundred and five with an average allowance of $242.23 for clerk-hire, &c. The demands of the service will require, we confidently believe, an increase for the present year commensurate with the amount recommended. A satisfactory conclusion was obtained by running over the estimates for several preceding years, and the actual expenditures, making an average, and adding 3½ per cent. to the sum of $455,000, calculating for two years, allowing a margin, and have recommended $495,000.

Similar reductions have been made, Mr. Chairman, in several of the succeeding items in the bill amounting to $10,000 each. It is unnecessary, however, to follow each provision in the bill, as I apprehend there are but two to which there has developed in committee or will develop on the floor of the House any serious or tangible objection. Quite a considerable portion of all appropriations for this service is made up of fixed expenditures and matters governed entirely by contract and by statutes authorizing and fixing the amounts.

This is specially true as to the office of the Third Assistant Postmaster-General, and we have, therefore, been governed by existing laws and the contracts.

The same may be said of the free-delivery service, which shows a rapid growth since its inauguration July 1, 1863, at which time the number of carriers was only six hundred and eighty-five and the num-

ber of offices supplied sixty, with an annual cost of $317,061.20. This service has grown until its provisions and benefits are extended to one hundred and eighty cities with four thousand three hundred and fifty-eight carriers, with the cost of the service amounting to $3,985,952.55. At these local deliveries the postage on local matter is $5,281,721.10, leaving an excess of postage on local matter of $1,295,768.55.

The Department recommends as necessary, and we have adopted the same for this service, $4,928,531.25, being an increase over the appropriation for the current year of $443,531.25.

The law as it now stands is only applicable to places having a population of 20,000, and which furnishes a gross postal revenue of $20,000. The propriety of extending it to thriving communities whose local circumstances are adapted to the free-delivery system has been discussed by the levy of special assessments, but under existing law we could not recommend allowances for the same. In making the estimates for the year 1887, recognition of the increased pay of twelve hundred and ninety-five clerks for nine months at the annual rate of $225 each was considered. I append here a tabular statement taken from the report of the Postmaster-General, which fully sustains the increase made:

TABLE D.—*Showing the growth of the free-delivery service from its inauguration, July* 1, 1863.

Years.	Number of offices.	Number of carriers.	Cost of service.	Postage on local matter.	Excess of cost.	Excess of postage on local matter.
1863-'64	66	685	$317,061 20			
1864-'65	45	757	448,664 51			
1865-'66	46	863	589,236 41			
1866-'67	47	943	699,934 34			
1867-'68	48	1,198	995,934 59			
1868-'69	48	1,246	1,183,915 31			
1869-'70	51	1,362	1,230,079 85	$681,864 70	$548,215 15	
1870-'71	52	1,419	1,353,923 23	758,120 78	595,802 45	
1871-'72	52	1,443	1,385,965 76	907,351 93	478,613 83	
1872-'73	52	1,498	1,422,495 48	1,112,251 21	310,244 27	
1873-'74	87	2,049	1,802,696 41	1,611,481 66	191,514 75	
1874-'75	87	2,195	1,880,041 99	1,947,599 54		$67,517 55
1875-'76	87	2,269	1,981,186 51	2,065,561 73		84,375 22
1876-'77	87	2,265	1,893,619 85	2,254,597 83		360,977 98
1877-'78	87	2,275	1,824,166 96	2,452,251 51		628,084 55
1878-'79	88	2,359	1,947,706 61	2,812,523 86		864,771 14
1879-'80	104	2,688	2,363,693 14	3,068,797 14		705,104 00
1880-'81	109	2,861	2,499,911 54	3,273,630 39		773,718 85
1881-'82	112	3,115	2,623,262 74	3,816,576 09		1,193,313 35
1882-'83	154	3,680	3,173,336 51	4,195,230 52		1,021,894 01
1883-'84	159	3,890	3,504,206 52	4,777,484 87		1,274,278 35
1884-'85	178	4,358	3,985,952 55	5,281,721 10		1,295,768 55

Section 3865 of the Revised Statutes provides that "letter-carriers shall be employed for the free delivery of mail matter as frequently as the public convenience may require at any place containing a population of 50,000 within the delivery of its post-office, and may be so employed at any place containing a population of not less than 20,000 within the delivery of its post-office." The first provision of this statute is mandatory as to cities having a certain population, and the salaries are fixed by law; and hence an observance of the law, and desiring to promote efficiency of the service, the amount stated has been deemed necessary.

For inland transportation by star routes the sum of $5,850,000 is estimated to be needed to meet the requirements of this extensive branch of the service. This is a decrease of $50,000 when compared to the appropriation for the current year.

For inland transportation by steamboat routes there is a decrease from the present year of $40,000. A number of these routes have been discontinued and are now carried by star routes at less expense. This service has been falling off for a number of years, the expenditures in 1881 being $826,975, dropping down to $558,000 in 1885.

As was stated by our courteous and distinguished chairman, Mr. BLOUNT, we have inserted the mail messenger service or "special facilities" without finding any law authorizing the same, but realizing its importance, sanctioned by custom and the preceding annual appropriation bills for nine years, we did not at the risk of a point of order desire to assume the responsibility of leaving it out of this bill.

The country has become accustomed to it, and as stated a moment since, attention was called to it by the report that it might be fully understood.

I call attention to the reasons given on page 4 of the report of the chairman for the insertion of the necessary amount for this particular service:

The mail-messenger service, which is the means by which the Government delivers the mails at post-offices which are more than 80 rods from the depots of the railroads which transport the same, likewise appears to rest upon no statute, but upon custom and the exigencies of the service. It has been inserted in the bill because great confusion would arise if it were omitted, and the attention of the House is also called to this matter with a view to relieving the committee from any appearance of an improper attempt to insert sums of money in the bill in disregard of the rules of the House.

The Postmaster-General, in the Book of Estimates, recommends the appropriation of $15,725,432 for transportation of mails by railroad lines. Using the cost on June 30, 1885, of $13,735,202 as a basis and calculating upon an increase of 7 per cent. for the preceding years, and also considering the increase in mileage for the year at about 6,000 miles, the committee arrived at its conclusion. Upon the same basis, and using the increase for several years, we have calculated it at a cost of $45 per mile instead of $60, the maximum paid for said service, and also that the increase for the fiscal year will be gradual, and hence we recommend $15,595,432, and feel confident this will be sufficient.

But, Mr. Chairman, there are other matters in this bill, but, as heretofore stated, only two have provoked opposition from any one of the Committee on the Post-Office and Post-Roads, and these are the compensation to railway postal clerks and for the transportation of foreign mails.

As to the first of these, the bill recommends $4,800,000, being $77,000 less than the estimates. The expenditure, it is stated, for the current year will not exceed $4,601,000, and the increase is asked upon an anticipated demand for additional force on existing lines and for railway postal cars and the requirements of new lines, placing the increase upon approximately the same ratio as the growth of railroad transportation. This assumption of an increase in the clerical force is upon the belief that new lines and extensions will be built amounting to some 10,000 miles. Such an increase is hardly to be anticipated, and we will be gratified if the same reaches one-half the sanguine expectations expressed.

On the 31st day of December, 1885, the number of postal clerks was forty-five hundred and twelve, the salaries of whom are regulated by law. By the law approved July 31, 1882, entitled "An act to designate, classify, and fix the salaries of persons in the railway mail service," are the following terms:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That persons in the railway mail service, known as railway post-office clerks, route agents, local agents, and mail-route messengers, shall, on and after the passage of this act, be designated as railway postal clerks, and divided into five classes, whose salaries shall not exceed the following rates per annum:

First class, not exceeding $800; second class, not exceeding $900; third class, not exceeding $1,000; fourth class, not exceeding $1,200; and fifth class, not exceeding $1,400: *Provided*, That the Postmaster-General, in fixing the salaries of clerks in the different classes, may fix different salaries for clerks of the same class, according to the amount of work done and the responsibility incurred by each, but shall not in any case allow a higher salary to any clerk of any class than the maximum fixed by this act for the class to which such clerk belongs.

SEC. 2. That the sums appropriated in the act entitled "An act making appropriation for the service of the Post-Office Department for the fiscal year ending June 30, 1883, and for other purposes," approved May 4, 1882, for the compensation of the railway post-office clerks, route agents, mail-route messengers, and local agents, be consolidated into one fund, and applied for the compensation of the clerks embraced in the five classes under the title of railway postal clerks provided in this act.

This act clearly states the salaries for the different clerks, giving discretion to the Postmaster-General to so classify them, fixing salaries for clerks of the same class according to the amount of work performed and responsibility incurred.

It therefore, Mr. Chairman, appears that the criticism of my colleague on the committee can not be against the amount appropriated, but must break its force against a stubborn, existing law, which under the rules we can not remedy on a general appropriation bill. It is certainly error to oppose the classification of these clerks. One who has a run of 75 miles per day should not receive the same compensation as he who makes a run of 150 miles, being twice the run in miles and incurring twice the risk, as to responsibility and danger.

The argument of my friend BURROWS might well be directed to the committee when considering the propriety of changing the law or advocating the passage of additional provisions.

In the discussion, as I have suggested, but two prominent issues have been presented, the one involving the proposition of an increase in the pay of railway mail clerks, and the second as to the compensation for the transportation of foreign mails. Had the discussion been restricted to the first proposition it would of necessity have been brief, and would doubtless have resolved itself into an opinion founded largely upon local experiences, every one being to some extent influenced by the rate of wages in his own section. But the gentleman from Michigan elected to give debate a wider berth, and arraigns the Postmaster-General for not obeying a mandate of Congress, and for not affording sufficient compensation to the postal clerks for the services rendered, and then concludes with a swoop and assault upon the present administration for its enforcement and practical recognition of the provisions of civil-service reform.

I desire to show, Mr. Chairman, that the strictures of the gentleman from Michigan [Mr. BURROWS] are unjust and wholly unwarranted by the facts, and that the Postmaster-General did nothing but his duty as an honest man to his Government.

On the 19th of February last the following resolution, introduced by he gentleman from Michigan, was adopted by the House:

Whereas the act of March 3, 1885, appropriated the sum of $4,682,300 for the payment of railway postal clerks for the fiscal year ending June 30, 1886; and

Whereas it is alleged that $81,300 of such appropriation was made for the purpose of enabling the Postmaster-General to pay the postal clerks of classes 4 and 5 the sum and salary of $1,200 and $1,400, respectively, for the year ending June 30, 1886; Therefore,

Be it resolved, That the Postmaster-General be, and he hereby is, directed to inform this House what portion of the said sum of $81,300 has been used for the purpose aforesaid, and if no portion of such sum has been so applied why the same has been withheld, and whether any portion of said sum has been used for other purposes.

On March 4 the Postmaster-General acknowledged the receipt of a copy of the same, and sent his reply to Congress, being Executive Document No. 110, from which I read explanatory of his action:

(1) The salaries of the clerks of these classes were, in 1876, fixed by the Postmaster-General to begin July 1 of that year at the respective sums of $1,150 for clerks of class 4, and $1,300 for clerks of class 5, because, as I am informed, the action of the Congress in making appropriations for the service made it necessary, if it did not impliedly require it; and they have during nine years since so remained, and the Congress has annually made appropriation for their compensation based upon that rate of pay without directing any change, and no reason is known to exist why that compensation is not as adequate during the current year as during any of the years since it was fixed.

(2) In view of the fact that such salaries have been under the cognizance of the Congress during so many years, and have by repeated appropriations received its sanction as sufficient, it appeared improper for the Department to increase the salaries of all clerks of those classes without expression from the Congress of its purpose that such increase should be made, and instructive information on this point was sought in the debates and proceedings of that body which accompanied the passage of the act of March 3, 1885, to disclose the true purpose of the Congress in enlarging the appropriation. The only definitive expression of that purpose, to be collected from the report of such proceedings, appears to be found in the sixteenth volume of the CONGRESSIONAL RECORD, on page 1766, from which volume the following extract is made of proceedings occurring in the House of Representatives when this item of the appropriation for the postal service was under discussion, to wit:

(Page 1750.)

"The House accordingly resolved itself into Committee of the Whole on the state of the Union (Mr. SPRINGER in the chair) and resumed the consideration of the bill (H. R. 8138) making appropriations for the service of the Post-Office Department for the fiscal year ending June 30, 1886, and for other purposes."

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(Page 1766.)

"The Clerk read as follows:

"'For railway post-office clerks, $4,482,300.'

"Mr. HORR. I move to strike out '$4,482,300' and insert '$4,682,300.'

"Mr. WARNER, of Ohio. Before the vote is had on that let us know whether that increase is an increase of the number of postal clerks or of the salaries of the number now provided by law.

"Mr. HORR. It is the amount needed to put sufficient service on the new roads which have been already built and will go into operation during the next year.

"Mr. WARNER, of Ohio. And is not to operate to increase salaries?

"Mr. HORR. No, sir. The Postmaster-General estimates that it will take every dollar of it to provide for the increase in the service for the coming fiscal year.

"Mr. RYAN. The salaries are already fixed by law in amount, and can not be increased.

"The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Michigan.

"The question was taken; and on a division there were—ayes 95, noes 51.

"So the amendment was agreed to."

These proceedings so unmistakably show that the purpose of the enlarged appropriation, as stated at the time of its consideration and enactment, was to put sufficient service on the new railroads which had already been built and would go into operation during the present fiscal year, and that the intention to increase salaries was expressly disavowed, that no right to impute any other object was admissible, much less to adopt the disavowed purpose; and, although in point of fact it has not yet appeared to me necessary to put such increased service into operation as will require the whole of the increase in the appropriation, this can not, without further expression, authorize an expenditure which the Congress clearly intended not to have made.

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4. It would have been manifestly prejudicial to the discipline of the service and promotive of future dissatisfaction and discontent to have increased the salaries of clerks of these classes for a single year, and again reduced them in the next to the amounts at which they now stand; and therefore it was inexpedient to raise them under the current appropriation without a justifiable expectation of continuance.

Mr. Chairman, I have called attention to this, and the colloquy in the House, in which a distinguished gentleman from Michigan, then a member of the House and of the Committee on Appropriations, distinctly disavowed that this $81,000 was for an increase of salaries of clerks of classes 4 and 5, but replying to Mr. WARNER, of Ohio, stated the specific purpose for which it was intended.

Notwithstanding all this, Mr. Chairman, the fact that the answer of the Postmaster-General was before him, the gentleman, my colleague on the committee, Mr. BURROWS, gave utterance to the following:

It seems to me there can be no question but $81,300 of this sum was appropriated for the special purpose of paying clerks of classes 4 and 5 the full amount of their salary allowed by law. It is demonstrated by the estimates and by the appropriation which followed, and in no other way can it be explained how this appropriation came to be for the exact sum of $4,682,300. Yet the clerks of classes 4 and 5 are being paid at the old rate of $1,150 per annum for clerks of class 4, and 1,300 for clerks of class 5. Why? The Postmaster-General declines to execute the law and apply the appropriation in obedience to the will of Congress. At page 419 of the report of the Postmaster-General for the year 1885 will be found the following:

"The annual appropriation for the pay of railway post-office clerks for the current fiscal year is $4,682,300. Of this amount, $81,300 was presumably appropriated for the special purpose of increasing the salaries of clerks of the fourth and fifth classes to the rates of compensation paid prior to 1st of July, 1876; but, inasmuch as the appropriation bill, as approved, does not state specifically that such was the intention of Congress, the Postmaster-General is of the opinion that this fund can not be drawn upon for that purpose. With this amount deducted, the sum available for the pay of postal clerks for the present year is $4,601,000."

Mr. BLOUNT. What are you reading from?

Mr. BURROWS. From the report of the Superintendent of the Railway Mail Service, page 419, from which it will be observed the superintendent states he has not used the $81,300 "presumably appropriated for the special purpose of increasing the salaries of clerks of the fourth and fifth classes to the rate of compensation paid prior to July 1, 1876," because the "Postmaster-General is of the opinion that this fund can not be drawn upon for that purpose." The Postmaster-General looks only to the letter of the law, and in the letter of the law he finds no mention of $81,300 for this specific purpose, and therefore he refuses to make use of the appropriation. "It is not so nominated in the bond." But if he had examined the estimates he would have discovered the items entering into the appropriation of $4,682,300, and would have observed that this amount was reached by including $81,300 to enable the Postmaster-General to pay clerks of classes 4 and 5 the salary allowed by law. But for some reason the purposes of the Postmaster-General are better served by looking only to the letter of the law, and so, declining to examine the estimates or obtain any information beyond what the statute conveys, he declines to execute it.

But admitting the $81,000 to have been appropriated for the purposes alleged by the gentleman from Michigan, one of three things must be true—either the appropriation was procured by an indirection that did not state specifically the purpose, or Congress did not assume the responsibility of directing the expenditure, or it voluntarily left it within the discretion of the Postmaster-General, he being the proper executive officer. If the first of these propositions is true the Postmaster-General should be applauded for refusing to become a party to the expenditure of public moneys authorized by questionable practices. If the second proposition be true it would ill become a legislative body which declined to assume the consequences of its act to find fault with the executive officer for declining such responsibility. If it be conceded that Congress vested the matter in his discretion and he exercised the same within the limits allowed, he is not subject to censure by any fair-minded, unbiased mind. It certainly was the intent and purpose of Congress to leave this matter wholly within the discretion of the Postmaster-General, and the question naturally arises, did he as the agent of the Government deal justly with its employés occupying the positions of postal clerks, and at the same time honestly with the Government?

The Postmaster-General had no special purpose to serve except the interest of the Government, and in doing so he looked to the law and the intent and meaning of Congress that invested him with authority. He did decline, and properly, to become a party to a doubtful and unauthorized expenditure of money, for which the enlightened judgment of the nation will accord him praise.

Instead of a reckless disregard of law and a profligate waste of money, the Postmaster-General executed and reflected the will of Congress. Where else could he go but to the CONGRESSIONAL RECORD containing the proceedings of Congress when the bill was under discussion? There can be no ambiguity as to the interpretation of Congress on this question. A different course would have been subject to censure rather than approval for such a wanton disregard of the clearly expressed purpose of Congress. Again, it is a demonstrable fact by calculation that to pay all these clerks the maximum salaries allowed would have required a larger sum of money than estimated by the Department.

To reply fully and fairly perhaps, involves an inquiry into the relative status of a postal clerk as compared with other wage-earners. The General Superintendent of Railway Mail Service, page 425, Postmaster-General's report of 1885, says:

Any young man possessing a good constitution, unimpaired eyesight, a retentive memory, and an ordinary education, if he be not afraid of hard work and sees fit to apply himself, can readily pass to the regular (postal) service.

Here we have the requirements. The physical condition which nature bestows when there is an observance of her laws, and the education which most of the States offer to all their children free. The qualifications necessary do not require as long apprenticeship as falls to the man who would handle the saw, the hammer and chisel, or drive the plane, and in fact such as are necessary in all the trades and occupations; no mental culture and severe technical training as falls to the lot of those struggling to enter upon the various professions, but the "novice can readily pass to the regular service," and enjoy from the outset of this appointment a rate of pay far above that of almost any unskilled labor in the land.

Mr. Chairman, we have had their duties portrayed here by my friend from Kansas, Judge PETERS, in a pathetic appeal, and he embodies in his speech a bill introduced by him for their relief. Let us analyze their duties. The Postmaster-General, in his report, page 17, says:

And the entire number of miles actually run gives a daily average to each clerk of 120.94 miles.

Placing the average rate of speed of our mail trains at 20 miles per hour—a low estimate—would give a daily run of six hours per day. It is true they handle a number of pieces exclusive of registered matter, and this is increasing, amounting altogether to about five million pieces during the past year. This is their duty to distribute the mails along the route. The Government requires the post-road to furnish cars lighted and warmed for their occupancy. With the salary attached, six hours per day on a train, with heat and light furnished, with changing localities and scenes, does not strike the average man, and specially the laborer, as being that character of arduous labor that demands an increase of compensation.

As an evidence of this fact I feel warranted in declaring that this service to-day is more sought after than any in the Government. Applications by the hundred have poured into the Department asking for employment in this service. Some are debarred by a ruling in the Department disfranchising all persons over thirty-five years of age, and others meet with the statement, "There are no vacancies," and removals must be for cause. Those who have been fortunate in securing these positions refuse to relinquish them, and are not making that stupendous effort indicated in the other end of the Capitol to avoid being incidentally connected with the present administration.

But it is alleged that the duty is extra-hazardous. This is possibly true, but it has its compensation. The law is liberal and permits "a

leave of absence with pay during convalescence from injury not exceeding twelve months," and the railroads are liable for damages by suit at law for injury of life or limb. The opportunities are great; ability, skill, or talent are sure to meet proper recognition by those who require such qualities.

While I would not raise my voice, Mr. Chairman, in opposition to labor enjoying the fullest reward in this or any other service, I give it as my deliberate judgment that postal clerks are as amply provided for as any class who serve for wages in the Government. Their labor is not so onerous; their quarters are comfortable and hours of labor short, their pay regular and certain, and the Postmaster-General has meted out to them the fullest justice under the law. Notwithstanding all this, Mr. Chairman, these postal clerks are clamorous for an increase of wages, and also insist by their friends that they should be provided with a life estate and be billeted upon the bounty of the Government as pensioners after serious disability or incompetency arising from age or the service of a certain number of years. As evidence of this fact, I desire here in my remarks to insert a part of a report I made as chairman of a subcommittee, which will explain the situation and the attempted raid upon the Treasury in the future:

The Committee on the Post-Office and Post-Roads, to which were referred House bills 2113 and 4489, having had the same under consideration, report as follows:

The first named (H. R. 2113) is "A bill granting a gratuity to persons having served faithfully twenty-five continuous years in the postal service of the United States, or who after ten years of faithful service shall become physically or mentally disabled."

The latter (H. R. 4489) is entitled "A bill for the relief of aged, disabled, diseased, and worn-out postal clerks who have devoted the best years of their lives to the (transit) mail service, and who have been or may hereafter be in the employ of the Post-Office Department in the arduous and extra-hazardouss ervice therein mentioned for a period of not less than twenty years."

The two bills being of a kindred nature, we have considered them together and report accordingly.

The number of railway mail clerks now in the service is between forty-four and forty-five hundred, and the estimated appropriation for the next fiscal year for the payment of this special class is $1,877,000, which is supposed sufficient.

These bills contemplate a pension list and the retirement of postal clerks or route agents and messengers who become disqualified from any cause for future service after a certain number of years of continuous service, or who after ten years' faithful service shall become physically or mentally disabled. One of the bills proposes to retire them on pay equal to two-thirds of the compensation they were receiving, and the other to full pay.

We are opposed to the policy of establishing by legislation a pensioned civil list, and especially to the adoption of a statute with such broad provisions as are embraced in these bills. We do not realize the necessity or propriety of creating this additional retired-list-embracing all persons employed in any capacity in the postal service of the United States, in preference to those employed in other branches of the Government service.

This is not a compulsory service; these employés are not conscripted into the service, but voluntarily ask for and accept such appointments, to the exclusion of others, that they may be the beneficiaries of the Government and receive a salary. This service is eagerly sought by numbers of persons unable to obtain them, but who would gladly accept the same, with all the attending dangers and hardships, for the compensation allowed, and give the Government immunity from granting these pensions. Again, there are numbers of employés in other capacities in the postal service who are not exposed to danger and have no "extra-hazardous duties" to perform. Why single out from the different branches of the public service this special class? It was never anticipated by the framers of our Constitution, under our theory of government, that the people should be taxed for the support of a favored few who have for a continuous term of years drawn salaries from the Government, and failed to provide for themselves.

All nationalities recognize the propriety of granting pensions to soldiers and sailors disabled in battle, or who have become helpless in the service of their country, but their right to such recognition is based upon a different principle to that embraced in these bills.

The taking of this step would eventually lead to the pensioning of almost all classes of persons in the employ of the Government, and entail upon the people a constantly increasing and enormous debt. There is no moral, and should be no legal, obligation upon the Government to tax the people and take from them their hard earnings in order to support those less thoughtful, who have lived upon the Government and wasted the salaries paid by the same. We are opposed to according to this class of employés superior privileges and provisions to other classes of persons.

We recommend said bills do not pass.

The principal opposition, however, Mr. Chairman, manifested to the committee's bill, is the appropriation for the foreign-mail service, and the reasons are expressed in the views of the minority heretofore submitted to the House and reiterated on the floor by the gentleman from Michigan [Mr. BURROWS] during his arraignment of the Postmaster-General.

Before proceeding to a statement of the reasons governing my action, and presumably the majority of the committee, a brief review of the laws regulating the foreign-mail service will not be inappropriate.

The act of 1864, found in section 3976, Revised Statutes of 1878, is as follows:

The master of any vessel of the United States bound from any port therein to any foreign port, or from any foreign port to any port of the United States, shall, before clearance, receive on board and securely convey all such mails as the Post-Office Department, or any diplomatic or consular officer of the United States abroad, shall offer; and he shall promptly deliver the same, on arriving at the port of destination, to the proper officer, for which he shall receive 2 cents for every letter so delivered; and upon the entry of every such vessel returning from any foreign port, the master thereof shall make oath that he has promptly delivered all the mail placed on board said vessel before clearance from the United States; and if he shall fail to make such oath the vessel shall not be entitled to the privileges of a vessel of the United States.

Subsequently, and in 1877, it was provided as follows (section 4203 of the Revised Statutes of 1878):

All vessels belonging to citizens of the United States, and bound from any port in the United States to any foreign port, or from any foreign port to any port in the United States, shall, before clearance, receive on board and securely convey all such mails as the Post-Office Department of the United States, or any minister, consul, or commercial agent of the United States abroad shall offer, and shall promptly deliver the same to the proper authorities on arriving at the port of destination, and shall receive for such service such reasonable compensation as may be allowed by law.

The foregoing was the law upon the subject and under which our foreign mails had been successfully transported for a number of years, with gratifying results to the United States. The steamship companies, however, were not satisfied, and desired to be subsidized. Consequently "An act to remove certain burdens on the American merchant marine and encouraging the American foreign carrying trade, and for other purposes," passed Congress and was approved June 26, 1884. This act, among other things, provided as follows:

That sections 3976 and 4203 of the Revised Statutes of the United States, and all other compulsory laws and parts of laws that oblige American vessels to carry the mails to and from the United States arbitrarily, or that prevent the clearance of vessels until they have taken mail matter on board, be, and the same are hereby, repealed, but such repeal shall not take effect until the 1st day of April, 1885. (United States Statutes at Large, volume 23, chapter 121, section 23.)

The provisions of this last act relieved American vessels of the restrictions of former acts, giving them clearance without the compulsory provisions of carrying mails, &c.

To enable the Department to meet the new order of things the Forty-eighth Congress in an act making appropriations for the postal service provided as follows:

For transportation of foreign mails, including railway transit across the Isthmus of Panama, $800,000. And the Postmaster-General is hereby authorized to enter into contracts for the transportation of any part of said foreign mails, after legal advertisement, with the lowest responsible bidder, at a rate not exceeding 50 cents a nautical mile on the trip each way actually traveled between the terminal points, provided that the mails so contracted shall be carried on American steamships, and that the aggregate of such contracts shall not exceed one-half of the sum hereby appropriated.

The Postmaster-General very candidly states in his report that after a protracted and painstaking consideration of the subject it was deemed inexpedient and improper to exert the authority of the act empowering him to contract for ocean service upon the mileage plan of computation, and gives the following reasons, which are apparent and plausible and should be satisfactory to any one except a partisan who is hunting an excuse to pitch into some one and provoke a political discussion over a purely business proposition. It does seem to me, sir, his reasons for the governing of his conduct are sound, practical, and logical, and the propriety and good sense of a different course are not apparent to a wayfaring man, though he be a political opponent.

But, Mr. Chairman, let me read from the report of the Postmaster-General, beginning on page 35 and continuing, which is a complete answer to the unjust and inexcusable assault upon this question. He says:

A statement compiled in the office of the foreign mails shows the total miles sailed last year, and to have been expected to be sailed this year by all American companies, to be over 2,050,000; and the total compensation at the maximum rate would exceed $1,025,000, or over two and one-half times the utmost authorized expenditure. The act requires a letting to the lowest responsible bidder after legal advertisement to invite competition; and except to contractors, so brought into service, no money could be paid on mileage contracts. Only two routes are navigated by more than one American company: one between New York and Havana, the other between San Francisco and Japan and China. To have solicited competition by advertisement would have been idle, except upon these; no competition to bring the bids below the maximum rate was possible.

The consequence seems undeniable that the Department must either have made choice of certain routes whose total mileage would have demanded no more than the limited sum, and, by ostentatiously calling through advertisement for a competition which could not come, have distributed the whole bounty to the chosen, entirely excluding the others, or else have so planned its advertisements to meet the circumstances of the only possible bidders that, by concerted understanding with all American companies or such as the Department chose to give the money to, contracts might have been made for such sums to each that the whole appropriation would be divided between them.

The first method of expending the money would have been partial and unjust. There are no circumstances, it may be safely affirmed, which give any American line the right to be so greatly preferred that it should be paid the full bounty while others should receive none. And to have so administered the authority would have defeated the objects of the appropriation, since, it may well be supposed, the disfavored lines would promptly and justifiably have refused their further service as mail carriers to the Government.

* * * * * * *

But the act unmistakably contemplated, by its terms, that the Government should secure the gain of competition, wherever possible, among bidders. The two routes already mentioned afforded the opportunity. Yet if the law were pursued and a contract were awarded to either of the companies on the trans-Pacific route, and another to either of those plying between New York and Havana, both public injury and private injustice would have been wrought, because the public would have lost the service of one company on each route when it ought to enjoy the greater frequency of both, and one company on each would have been denied a share of the bounty to which it was as well entitled as the other. This constituted in itself so grave an objection to any employment of the authority of the act as to render it of doubtful expediency, a proof of which lies in the usages of the transatlantic carriage, where the best service is gained by employing at will the swiftest ship among those ready to sail at any time when mail is to be dispatched, no special contracts being made.

Explanatory of the reason why the Postmaster-General declined to exercise the authority conferred under the subsidy clause, I desire to read and call attention to the views of the President, expressed in his first annual message, as follows:

It was decided with my approbation after a sufficient examination to be inexpedient for the Post-Office Department to contract for carrying our foreign mails under the additional authority given by the last Congress. The amount limited was inadequate to pay all within the purview of the law the full rate of 50 cents

per mile, and it would have been unjust and unwise to have given it to some and denied it to others. Nor could contracts have been let under the law to all at a rate to have brought the aggregate within the appropriation without such practical prearrangement of terms as would have violated it.

The rate of sea and inland postage which was proffered under another statute clearly appears to be a fair compensation for the desired service, being three times the price necessary to secure transportation by other vessels upon any route, and much beyond the charges made to private persons for service not less burdensome.

* * * * * * *

Whatever may be thought of the policy of subsidizing any line of public conveyance or travel, I am satisfied that it should not be done under cover of an expenditure incident to the administration of a Department; nor should there be any uncertainty as to the recipients of the subsidy or any discretion left to an executive officer as to its distribution. If such gifts of the public money are to be made for the purpose of aiding any enterprise in the supposed interest of the public, I can not but think that the amount to be paid and the beneficiary might better be determined by Congress than any other way.

The Postmaster-General also says:

Upon a review of all these facts and reasons it seemed a plain duty, the only admissible course, for the Government to decline to make contracts upon the mileage plan, and await the meeting of Congress, to which the subject might be referred for consideration and direction. It involved but a few months of delay, and in the mean time the American vessels could be paid a compensation more than three times as great as most of them have received for similar service during the past seven years.

But it is insisted that the statute was plain and easy of comprehension and execution. True it may be, Mr. Chairman, and it was easy for the executive officer to have pursued a different course, if he had disregarded the rights of the tax-payers and contracted on these lines beyond the limit contemplated. It was impracticable and his course is to be commended.

The history of this legislation, which remitted to the Postmaster-General quasi instructions to expend $400,000 needlessly for the transportation of mails to foreign ports in American vessels, shows that two bills were introduced in the Forty-eighth Congress, one in the House and one in the Senate, to remove these alleged burdens from the merchant marine. Without tedious detail, suffice it there existed differences, and the result was a conference between the two Houses, and the law by which the Government could compel the carrying of its mails wiped out and what is called the subsidy adopted, giving the discretion to which I have alluded. As an American citizen and Democrat, I am exceedingly gratified that notwithstanding the enormous pressure and the voluminous correspondence from all sources, the Department has stood firmly by the principles of honest and business methods in its administration and kept the unclean hands of the subsidy-grabbers out of the Treasury of the United States. The mails have been carried, business principles observed, and the Treasury protected from the rapacious greed of those who would willingly impose burdens upon the whole people to build up their individual interest.

But my friend from Michigan, in his minority report upon another bill and in his recent utterances in the House, insists that the Postmaster-General would impose upon American vessels the duty of carrying the mails of the United States as freight, such as beef, hides, &c. The law discriminates in favor of American vessels, giving them sea and inland postage, allowing sea postage only to foreign ships; and the following from the report demonstrates legislative judgment that sea postage is sufficiently remunerative to command good and efficient service:

To the Pacific Mail Steamship Company, on its New York and Colon line, $19,275.82, as against $7,501.78 at sea postage, and $7,679.49 at its parcels-dispatch rates, and $411.40 at its freight rates for nearly 55 tons of total mail; an average of $507.26 per trip for 288 pounds of matter, which it would have carried for $10.82 at freight rates and $202.09 at parcels-dispatch rates.

On its San Francisco and Panama line, $3,496.18 for about 7 tons, against $1,238.44 at sea postage, $71.69 at freight, and $1,002.55 at parcels-dispatch rates.

On its San Francisco and Yokohama line, $10,125.80 for less than 19 tons, against $3,506.64 at sea postage, $226.34 at freight rates, and $3,758.40 at parcels-dispatch rates.

On its Australian line, $41,018.65 for about 48 tons, against $13,565.29 at the special rates paid heretofore, $762.93 at freight rates, and $9,537.40 at parcels-dispatch rates; an average per trip of $3,155.28 for 7,336 pounds, nearly fifty-four times its freight rates, over four times its parcels-dispatch prices, and a better average price per trip than the average paid across the Atlantic by $2,505.92.

To the Venezuelan Red "D" line, $3,942.86 for abont 8 tons of mail, against $1,392.95 at sea postage, $58.34 at its freight rates, and $1,155.01 at its parcels-dispatch rates.

To the New York and Cuba line, $5,203.48 for about 12 tons, against $2,271.94 at sea postage, $61.63 at freight rates, and $1,458.17 at its parcels-dispatch rates.

To the New York, Havana and Mexican line, $11,932.11 for about 25 tons, against $4,134.13 at sea postage, $129.17 at freight rates, and $3,229.33 at parcels-dispatch rates.

These statements are convincing that the total sea and inland postage, when compared to charges for transportation of other valuable articles, is adequate. The mails may be considered sacred, and, perhaps, in business transactions should not be mentioned in connection with other matters and packages for transportation. Both by land and sea the moment the key is turned the mails become freight pure and simple, and on sea they do not require or receive any special attention. They do not demand light, heat, or ventilation, berth, food, or attendance. Bills of exchange, lading, drafts, post-office money-orders, can all be duplicated. There is no special liability for loss. These vessels have their own time of departure and arrival, and are not compelled to deviate from their usual line of travel on the high seas, touching only at such ports as their interest suggest and their business carries them. The compensation of sea and inland postage is from two to thirty times as much as they demand or receive for any other kind of freight transported by them.

This bill, Mr. Chairman, is to provide for meeting the demands of the postal service, and does not present the question as to the employment of American postal appropriations to the development of our commerce and opening up trade, but it is a question as to whether the Government has a right as a sovereignty by act of Congress to provide certain contingencies upon which vessels shall have clearance and carry our mails. A number of routes by steamship, railroad, and star-routes have been referred to in order to make it appear that the pay to steamships is inadequate. A tabulated statement prepared by the Superintendent of Foreign Mails refutes the statement made by the minority, wherein they place the compensation of railroads per mile at 10.95 cents, that of star-routes at 6.52, and of domestic steamers at 15.9 cents, and that of ships carrying foreign mail at 2.74 cents per mile.

The statement furnished and published by my friend on the committee, Governor WAKEFIELD, from Minnesota, shows that the total number of miles traveled on outward trips by eight principal lines was 810,829, the amount paid them was $43,492.48, or an average per mile of 5.3 cents. Had these lines been paid both sea and inland postage they would have received 14.4 cents for each mile they carried the mails. This exceeds the pay of star-route or railroad compensation. The following table discloses the amount paid per mile during the fiscal year ending June 30, 1885, for transportation of United States mails by railway, star routes, steamboat, and coastwise service, American steamships to foreign ports, and average amount paid to eight principal American lines, and the amount that would have been paid if said ships had received sea and inland postage:

Service.	Number of miles traveled.	Total compensation.	Rate per mile.
			Cents.
Railways	151,912,140	$16,627,983 00	.10-95
Star routes	83,027,321	5,414,804 00	.06-52
Steamboat and coastwise service	3,540,607	563,002 00	.15-9
American steamships to foreign ports (outward), sea postage	1,024,126	46,223 69	.04-5
If paid sea and inland postage			.11-9
American steamships, eight principal lines (outward), sea postage	810,829	43,492 48	.05-3
If paid sea and inland postage			.14-4

American vessels sailing from our ports to foreign ports are but common carriers governed by the universal law of reasonable compensation for services performed, and as such the United States has the right to impose qualifications as to official clearance papers giving them national protection as a condition to carrying the United States mails. Such vessels, as I have just stated, are not required to deviate from their voyage or to change their time of departure and arrival, but they pursue their usual course and deliver the mails at such points as they touch in the pursuit of their usual business. They are only required to exercise ordinary diligence as they would in freights. In fact they carry the mail by weight as they do other matter. They are common carriers for individuals and are governed by the law of reasonable compensation, and if compelled to perform service for individuals in the way of passenger rates and freight and express charges, why not for the Government that extends to them such protection on the high seas and enables them to enter the ports of other countries?

It is an absolute advantage to these vessels to transport the mails, for in doing so they carry intelligence and letters relating to the cargo, and therefore benefit the ship-owners. Why, then, do they complain and under the statute enacted by the last Congress refuse to carry the mails? There is but one answer to this question. It is an effort to coerce the Government into the payment of unreasonable compensation in the way of a subsidy. The law prior to the last Congress had stood for twenty years. There was no complaint at the law as to its constitutionality, but as to the amount allowed.

It does seem the compensation under all the circumstances is ample for the services rendered. It is simply a refusal to perform for the Government a service that they had been rendering for twenty years, and a breach of their duty as common carriers, when they refused to allow the agent of the Government to take mail-bags with him as baggage, he proposing to pay his regular fare and charges for extra weight.

Combinations or agreements were effected by which embarrassment to the service was occasioned. The object, as stated, was to coerce the United States into the payment of large sums in the way of subsidy for the expedition of her foreign-bound mails.

It was suggested, and the thought entertained, to further complicate matters by a refusal to deliver the mails on arrival in American ports, but section 3988 being unrepealed and in full force, the necessity of a compliance was apparent. The section is as follows:

No vessel arriving in any port or collection district of the United States shall be allowed to make entry or break bulk until all letters on board are delivered at the nearest post-office, and the master thereof has signed and sworn to the following declaration before the collector or other customs officer.

And then follows the oath.

This provision settled that question in favor of the Government.

Again, it appears that for the carriage of mails from San Francisco a greater price was offered for each trip than for the maximum price for the most profitable trip across the Atlantic. The Pacific Mail Company did not accept the offer at $41,000 for thirteen outward trips, while they would have probably carried express packages for one-fourth the amount. If I mistake not, all lines of American ships carry mail except four: two to Cuba, and one to Venezuela, and one to China.

Notwithstanding temporary embarrassment, the United States mails are still carried to their destination, and in some instances the results are more satisfactory. The Government did not yield, as demanded by these lines, to exorbitant and unreasonable exactions so far exceeding prices charged individuals for special or express packages.

But the minority attempt to show that the highest rate in the discretion of the Postmaster-General is inadequate, and insist that American shipping interests should be encouraged by donations or subsidies under the garb of compensation for transporting the United States mail. This, Mr. Chairman, I controvert. Fair and reasonable compensation is all these American line of steamers should demand, and is all we should be willing to give. The duty of the Postmaster-General is plain. He is an officer of the Government and should protect his Department from the attempted raids of all corporations. There should certainly be a limitation. It is not a question as to whether this or that line should receive more or less, but the correct rule is to administer equal justice to all. Foreign vessels we are advised are anxious for the privilege of carrying our mails, and for sea postage only, being only one-third of sea and inland postage; and they seek the opportunity of transporting our mails to Europe. For a more perfect understanding of sea and inland postage, I read from the stenographer's notes of the interview between Mr. Bell, the Superintendent of Foreign Mails, with our committee:

Q. Define sea and inland postage.
A. It is the gross revenue collected on the mails destined to foreign countries.
Q. On what basis is it calculated?
A. Five cents per each one-half ounce, or $1.60 per pound, on letters and post-cards, and 1 cent per 2 ounces, or 8 cents per pound, on other articles.
Q. What is the legal weight of a foreign letter?
A. One-half ounce or less.
Q. What is the average weight of a letter?
A. On a count made by the Third Assistant Postmaster-General on domestic letters on the first seven days of May and September last, respectively, as per pages 746 and 750 of the Postmaster-General's report for the fiscal year ended June 30, 1885, it will be observed that the average weight of letters is three to an ounce. I have no information as to the average actual weight of letters addressed to foreign countries.
Q. Please define sea postage?
A. It is an indefinite term. Under the Berne treaty, which went into effect July 1, 1875, the rate of extraordinary sea transit of the mails was fixed at 25 francs per kilogram, or $4.82 for 2 pounds 3 ounces for letters and post-cards, and 1 franc (19 cents) per kilogram (2 pounds 3 ounces) on other articles, and the ordinary rate of sea transit of the mails was fixed at 6 francs 50 centimes, or about 60 cents per pound, on letters and post-cards, and 50 centimes on other articles. The Paris convention of June, 1878, by paragraph 2, article 4, page 5, reduced the international sea-transit rates of the mails as follows: Where the extraordinary rates of sea transit had been hitherto fixed at 25 francs it was reduced to 15 francs, and where the ordinary sea-transit rate had been fixed at 6 francs 50 centimes per kilogram, it was reduced to 5 francs, or 44 cents per pound. As the United States Government was a party to, and is bound by, this conventional treaty this Department has accepted and taken these rates to be sea postage on the mails conveyed by the various steamship companies. There is no statutory law defining sea or inland postage, and this Department has been governed solely by the universal postal union treaty.

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Q. Did the foreign vessels offer to carry mails at the 5-franc rate (or 44 cents per pound)?
A. Yes, sir; and apparently glad to get them. Foreign steamships have been tendered in one or two instances to the Department for the conveyance of mails to the West Indies and Central America for nothing, provided that the Department would furnish them the usual certificate authorizing them to ply to these countries as mail steamers for the advantage they would obtain as to tonnage-tax and port and light-house dues in the ports of those countries.
30 grams are equivalent to 1 ounce. 1 kilogram is equivalent to 2 pounds 3 ounces. 1 franc is equivalent to 19 cents.

To illustrate the absurdity of the idea that it is seriously supposed that foreign mail facilities can create commerce or contribute materially to the placing the carrying trade in the hands of American vessels, it might be proper to trace the history of the foreign mail service.

The late Postmaster-General Howe says (Senate Document No. 65, Forty-seventh Congress):

Previous to the mail-steamship contracts authorized by acts of March 3, 1845, and March 3, 1847, the ocean mails were transported by sailing vessels, as their voyages might occur, for a small gratuity payable on each letter at the port of delivery, and consequently no payments were made prior to the fiscal year 1848 for the transportation of the mails of the United States to foreign countries.

On the 3d day of March, 1845, in obedience doubtless to suggestions connected with the contest in regard to Texas with Mexico, Congress passed the first law providing for the transportation of foreign mails, and in that act (Statutes at Large, volume 5, page 750) authorizing the Postmaster-General, under restrictions and provisions of existing laws, to contract for carrying mails to foreign ports, with this provision:

And the said contractor stipulating to deliver said ship or ships to the United States, or their proper officer upon demand made, for the purpose of being converted into a vessel or vessels of war.

Just two years subsequently contracts were made with E. K. Collins and his associates to transport the mails from New York to Liverpool, and with A. G. Sloo, of Cincinnati, for similar services from New York to New Orleans, Savannah, and Havana, and from Havana to Chagres, &c. The vessels to be used were to be constructed under the supervision of a naval constructor, with a proviso: "And that each of said steamers shall receive on board four passed midshipmen of the United States Navy, who shall serve as watch officers, and be suitably accommodated without charge to the Government;" also, one agent, appointed by the Government to take charge of the mails, was to be accommodated without charge.

Reference has been made in this discussion to the "olden time," and here we see the restrictions thrown around vessels that transported our mails.

I have said, Mr. Chairman, more than I intended, and shall not be betrayed into following the discussion into irrelevant matters as to civil-service reform. I have my views, and hope to have an opportunity of expressing them before the adjournment. I would like to see necessary reforms instituted and vigorously pursued, such as would result in surrounding the administration by its political friends only, and not embarrassed with those unfriendly to Democracy.

Political organizations are necessary in a Government like ours, with marked and definite lines of differences. I would like to see manifested that "tumultuous and somewhat indecent haste to get out of office" exhibited partially in some other localities besides the solitary State recently mentioned in the far West. The tenure-of-office act has afforded welcome shelter to many whose reluctance prevented them embarrassing the administration by resigning. Such has been the case in the beloved State that I have the distinguished honor, in part, to represent. Republicans have waited to be removed, or a request to resign. Comparisons have been resorted to, and an estimate of the number of postmasters appointed within the last twelve months; yet our friends on the other side neglect to state that upon the incoming of a Democratic administration a Democratic office-holder was even sporadic, in fact one could hardly be found where a Republican could be induced to accept the appointment.

It ill becomes, therefore, our political opponents to find fault because a small per cent. of their friends have been afforded an opportunity of relinquishing office, for the Departments are yet swarming with Republicans sheltering under the tenure-of-office act and the protection of civil-service reform. They have not resigned and will not resign, but prefer, for the emoluments of office, to embarrass an administration for which they entertain no sympathy, and the existence of which they endeavored to defeat. I would prefer, sir, instead of a few hundred removals and recommendations being sent to the Senate, that the business should begin in earnest and be vigorously pursued.

We must not flounder in the ruts and mud of Mugwumpism, but plant ourselves on the solid highway of Democracy that the principles of our party may be successfully administered. The friends of Democracy should be stationed in every position possible. Irrespective of party the people of the United States expected nothing less than that Democrats alone would administer the affairs of the Government. I would rejoice with the Democratic voters of the Union in the full fruition of our victory achieved at the ballot-box in November, 1884, and a realization of their anticipations when it was announced that a Democrat was elected President of the United States.

Labor Arbitration.

SPEECH

OF

HON. JOHN V. L. FINDLAY,

OF MARYLAND,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, March 31, 1886,

On the bill (H. R. 7479) to provide for the speedy settlement of controversies and differences between common carriers engaged in interstate and Territorial transportation of property or passengers and their employés.

Mr. FINDLAY said:

Mr. CHAIRMAN: I have said nothing upon this bill during the progress of the debate for the reason that I felt I could show my appreciation of its merits by my vote quite as well as by any speech I could make, but under the leave of the House I am not willing to let the opportunity pass without putting on record the reasons for my vote. I voted for the bill, not as some gentlemen here said because it was harmless, but because I believed it contained the germ at least of positive good and that that germ would finally develop in a generous fruition for struggling labor, not only in this exigency but in trials to come. It is more than a mere legislative declaration that a submission of the differences between capital and labor to voluntary arbitration is a wise method of determining those differences.

A joint resolution or a separate resolution embodying this declaration would have accomplished as much, but might well be denominated

as no better than sounding brass or tinkling cymbal. But this bill not only contains such a declaration, but it goes further and says that arbitration, in the opinion of Congress, is not only wise, but as an inducement to bring the parties together the United States will pay the expense of the procedure. It devises the machinery of arbitration and provides for the cost of running it. An item of small moment to one of the parties, perhaps, but of incalculable significance to the other. But it does not stop here. It provides, instead of a bond to perform the award or other coercive measures, the only means of enforcement which the nature of the case admits, and that is a certification of the decision made by the arbitrators to one of the organized bureaus of the Government, there to remain on record as the solemn judgment of the United States against the offending party until discharged. Now, who shall say that will be a mere idle decree?

Suppose this bill had been a law when the trouble in the West, which has been the immediate occasion of it, occurred. On one side you would have had the corporation, on the other its employés, behind them the masses of the people whose commerce and business were impeded by the strike, and on the statute-books of the United States a law which afforded an easy mode of escape out of the difficulty. Will any man say that the whole force of public opinion would not have been brought to bear in favor of settling this difficulty by arbitration as provided by that law? Can it be reasonably concluded that either of the parties to the controversy would have been willing to protract it in the face of this public opinion? I think not; and therefore believe that the very existence of the law will of itself promote voluntary arbitration by creating a public opinion in favor of it which it will be difficult if not impossible to resist. The strongest argument made against the bill has gone to the point that as far as such mission was concerned the bill conferred no rights which did not already exist at common law.

But that argument does not strike me as sound. To point out to litigants a common-law method of settling differences by arbitrament and consent is one thing. To show the suffering public that a statute has made it easy to have these differences settled in this way, without cost to either party, is, in my judgment, quite a different thing. It puts an argument in every man's mouth simple to make and difficult to answer—an argument which says in effect to both corporations and employés, We, the public, have some rights; you are not the only sufferers by this disagreement; we outnumber you ten to one; our business, our livelihood, our very existence, depends upon a prompt and reasonable settlement of the difficulty; the law has provided the means for such a settlement, and we demand that you adopt these means and permit the wheels of commerce to again revolve on their accustomed racks.

But in the absence of such a law, what would the argument be? Simply that it was a duty to arbitrate, without answering the objections as to expense and the difficulty of enforcing attendance of witnesses, obtaining testimony and executing the award. In the other case I have put it is a duty made easy, and a duty besides that has the sanction of positive enactment by the National Legislature. I think, then, that the bill will promote arbitration. Will it effectuate it? Great stress has been laid upon this part of the argument against the bill. It has been insisted that the mere suggestion of a decree without compulsory provision for its enforcement is an idle form of words without force or virtue. It has been denounced as a sham and a trick, an innocent poultice, a harmless application on the outside for what is a deep-seated internal malady, and much other denunciation more or less pointed.

I have listened to these arguments with all the respect due to their authors, but I can not bring my mind to the conclusion that the same public opinion which has hushed this clamor and reduced the enemies of the bill into a pitiful minority of 29 as against 199 in its favor will not be potent enough to give effect to the bill after it becomes a law. I do not believe there is a railroad corporation in the country that would dare to resist for twenty-four hours the solemn judgment of our authorized board of arbitration, in which it appears voluntarily by its chosen representatives, holding its sessions, performing its work, and certifying its conclusion under the sanction of the law-making power of the United States. Such corporations, beside being exposed to the criticism of the press, are amenable to public opinion not only as the source of legislation in the States, but of those efficient although indirect disciplinary methods of which juries, quite aside from the merits of the particular case, are sometimes made the beneficent agents.

It is not necessary to point out the processes by which public opinion can make itself felt upon a stiff-necked and hard-hearted corporation, but, believing as I do that no law can long be enforced without the sanction of public opinion, at least in this country, it would be a very curious contradiction to hold that that subtle and all-pervading influence, so omnipotent in everything else, should suddenly be smitten with imbecility in the effort to enforce a formal decree against an offending railroad company. The sheriff who executes processes does it after all by the force of public opinion. Withdraw that and you may bring in the bayonet to help the law, but in the end the bayonet will disappear too before this resistless power. A warrant in the marshal's hands to enforce the fugitive-slave law was not worth much. I believe, then, that this bill will not only promote but will also effectuate arbitration, and for this reason I have voted for it.

But suppose it should do neither. Suppose, in practical results, it should prove as abortive and harmless as its enemies have predicted. Suppose it should bear neither the fruit of arbitration nor award terminating in satisfaction. It would still be worth something. Shorn of all substantial benefit to those whose injuries it was intended to redress, the measure would still stand upon the statute-books of the country as a responsive and sympathetic recognition on the part of Congress, not only of its right, but its duty to attempt at least some legislation in the interest of that great class of our people without whom there would be neither Congress nor country. For this reason, if for no other, the bill, in my opinion, will not only not prove harmless, but will be productive of good.

Labor Arbitration.

SPEECH

OF

HON. ANDREW J. CALDWELL,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, March 31, 1886,

On the bill (H. R. 7479) to provide for the speedy settlement of controversies and differences between common carriers engaged in interstate and Terrritorial transportation of property or passengers and their employés.

Mr. CALDWELL said:

Mr. SPEAKER: Imperfect as any law may be that seeks to deal with the questions now agitating the industrial world, and as little disposed as I was upon first looking at the committee's bill to support it, I believe if it is put upon the statute-book no man in America will hereafter have the temerity to brave public opinion by refusing to arbitrate his differences with his employés. The passage of this bill will be the highest authoritative expression of that public sentiment to which it appeals as the final arbiter. As to the expense to be incurred, I imagine that the peace of the country and the prosperity of trade will be amply worth the price we may be called upon to pay for them under this bill.

It makes very little difference so far as the solution of the social problem now upon the American people is concerned whether this bill or any other is passed by Congress. The issue is upon us. The capital of this country can not control it. The labor of the country can not stop it. It is one of those questions that arise in the history of the world and in the progress of civilization which must work out itself. As of old, there is an absolute and an irresistible power that is a working leaven in society which will "leaven the whole lump."

We are on the threshold of the last great conflict for the disenthrallment of men.

The sword, the cowl, the crown no longer menace the rights of the many in our land. The threatening force is the power of the purse. It is the most momentous question ever propounded for solution. For what benefit are the victories of the ages if at last man by the power of money may be forced to work like a slave all his days and still go naked and hungry? What benefit is liberty if under its glittering wheels the multitude writhes in the abject slavery of starvation, ignorance, and vice? Are the many ever to be in some form the slaves of the few? Must the weak ever be the prey of the strong? Must the race struggle up from barbarism to civilization, from the hut to the palace, from illiteracy to letters, from slavery to freedom, only to wear new yokes and more galling chains? Has man overthrown the rule of force only to submit to the domination of avarice? Is slavery the coming doom of man?

The very triumph of our republicanism, our prosperity under free government, has developed a new enemy to the rights of the many. The aggregation of capital in corporate bodies and accumulation of money in private hands is unprecedented in the history of the world, and menaces the perpetuity of our institutions. The incorporation of capital is a device to concentrate its power in a single hand. Beneficently exerted this power works for good. It is only its abuse that is a power for evil.

There was no wiser provision of the founders of our system than the abolition of the laws of entail and primogeniture. The perpetuation of great estates in the hands of a few was known to be inimical to freedom. Under the operation of our laws of descent and distribution this was prevented.

One generation, by thrift and industry, rises to comfort; the next to riches and affluence; the next, untrained to economy, lavishes the accumulation of two lives; the fourth generation pulls off its coat and commences life at the bottom of the ladder. From shirt-sleeves to shirt-sleeves is only three generations. This continual relegation of men to self-reliance and effort is a perpetual incentive to merit, a necessary discipline for the development of those virtues which keep men free, and one safeguard of democratic government. Entail of wealth

being impossible under our system, the same end was sought through corporate succession.

All the evils of absentee landlordism are brought home to employés in every department of labor. In the one case the landlord turns over the estate to his steward, who, having no interest but to please his absent superior, grinds the tenantry with every species of exaction that will increase the income. In the other the ownership of capital becomes impersonal and the stockholder is further removed from the employé than if he were beyond the seas, and knows nothing of the tyrannies practiced to make dividends. Thus the bond of human sympathy is cut, or rather there is no cord between the corporate entity and the dependent laborer. At the behest of self-interest, his wages are reduced to declare a dividend, and he is forced to strike; or he is locked out to prevent overproduction and reduction of prices, and he is forced to starve. Thus, under the tyranny of capital, the workman has fled to the domination of the labor organizations. His retreat is primarily for self-protection and the defense of his means of livelihood. He is not an enemy to society. He sees capital take too much from labor. That capital which furnishes him employment is not content with reasonable returns, but seeks to increase them even if it sinks him to pauperism. He combines with others of his trade to raise wages in that special trade. Other trades form unions, and finally all trades consolidate into one universal union controlled by an absolute central authority, with power to cut up, if need be, the plant of capital by the roots, whether invested in manufactures, traffic, or transportation, and the power to deny to any workman, whether he belongs to the order or not, the right to accept employment or to make a living.

Now, has he simply exchanged masters, swapped one form of tyranny for another? With him the question is, "Under which King Bezonian? Speak or die!" The one great difference is that he has a voice in selecting his master workman, who is subject in his exercise of his power to the criticism and rebuke of the common voice of the order if he makes a mistake or commits a wrong. With power comes responsibility, and woe is he who does not worthily discharge it. Public opinion is king in democracies, and the opinion of the order itself is a part of the opinion of the public.

Prophets of ill omen, not in love with our Government, have predicted that as our population became dense, the area of public lands filled up, the struggle of life more intense, the conflict, so called, between labor and capital would, with universal suffrage, render property insecure, revolutionize society, and overthrow our democracy. If our institutions can not stand this final test they are a failure.

Let us look back and see if we can get any comfort from the experience of the race in history. The merchant guilds and craft guilds of the old English towns stand at the bar of historic precedent as compurgators for the modern trades unions and labor associations against any criminal charge. Now, as then, the "frank pledge," the free engagement of neighbor with neighbor, is the basis of social order.

Gentlemen have read history in vain if they have thought English or American liberty was the work alone of barons, kings, protectors, lords or commoners, generals or statesmen. The barons, it is true, wrenched Magna Charta from John at Runnymede. But Green, the philosophic historian of the English people, says that the "burghers secured to the English towns local self-government, self-taxation, charters, and liberties, which gave life to smaller organizations." Frith guilds, merchant guilds, craft guilds "substituted the oath of fraternity and fidelity for the tie of blood, the trial by oath for the trial by battle," regulated the quality and value of work, fixed the hours of toil "from daybreak to curfew," and made "strict provision against competition in labor. * * * A common fund was raised by contributions among members, which not only provided for the trade objects of the guild, but sufficed to found chantries and masses and erect painted windows in the church of their patron saint. Even at the present day the arms of the craft guild may often be seen blazoned in cathedrals side by side with those of prelates and kings."

Here then is the type of the labor unions of to-day. Here is the root of the genealogical tree from which sprung the "noble order of the Knights of Labor." The guilds decided between master and man. The thriftless barons, who were the oppressors of the commons and the despoilers of labor then, were traded out of charter rights, cajoled into releases of feudal rights, and bullied into the grants of liberties by the tradesmen and mechanics of the towns.

Whenever the Anglo-Saxon achieved a right he put it in a charter, and never surrendered the parchment on which the glorious words were written. He achieved liberty for himself. It was not the boon given him by a superior race, nor the largess of a feudal lord; it was conceived in his brain and nurtured by his blood. Yet further testimony does the historian of the English people give. He says:

In silent growth and elevation of the English people the boroughs led the way; unnoticed and despised by prelate and noble, they alone preserved the full tradition of Teutonic liberty. The rights of self-government, of free speech in free meeting, of equal justice by one's equals, were brought safely across the ages of Norman tyranny by the trades and shopkeepers of the towns. In the quiet quaintly-named streets, in the town mead and market place, in the lord's mill beside the stream, in the bell that swung out its summons to the crowded borough-mate, in the jealousies of craftsmen and guilds lay the real life of Englishmen, the life of their home and their trade, their ceaseless sober struggle with oppression, their steady, unwearied battle for self-government.

The sure, gradual, and orderly victory of burghers over king and feudal lord, of craftsmen of the guilds over rich burghers, wringing power and privilege from their grasp and exacting justice to the humble and honest laborer in all trades and businesses, will be repeated in the triumph of our trades-unions and co-operative labor associations over monopolists, money-kings, and bosses. Some future historian of the American people will lead the student by the hand not only over our battlefields or through these halls, but also among the wage-workers, who now as of old are working out the emancipation of labor and the amelioration of the condition of those who live by the sweat of the face.

The deliverance will be self-wrought and will not come as a boon from any man or party. Occupying a field that is not reached by the lawmaking power, these co-operative associations of labor are working out as of old the salvation of the working classes, the safety of capital, the preservation of social order, and the perpetuity of the state.

The result will, of course, be delayed by mistakes. Men learn wisdom from mistakes. Unbroken success often blinds the eyesight and leads to ultimate failure. Every mistake made by the Knights of Labor will send to the rear the rash counselors and imprudent leaders responsible for it, and bring to the front the cool-headed, sedate, conservative element and put it in the lead.

The result will be to establish a partnership between labor and capital; declare a truce to the war between them and pool their assets; money on the one hand, skill and labor on the other; so that out of the product the partner, labor, shall have every dollar it earns after allowing the partner capital current interest upon its actual investment, fair salaries for management, and just allowance for necessary expenses. This will render their interest and their effort reciprocal. This will satisfy labor, which shares intelligently in the prosperity or evil fortune of the investment; and capital can ask no more than the fair worth of its money and the security of its investment. The leaders of organized labor will meet capitalists and arbitrate their differences with or without Congressional enactments. Strike, mob, riot, and revolution will have no producing cause when the just rights of all parties are conserved by decrees enforced alike upon the striker and the boss.

Nothing is so timid as capital, yet nothing is so tyrannical when it has the power. When it finds the safety of its investments alone to be secured by its friendly relations with and justice to the great army of the employed it will be content. Labor will learn that its interest is to preserve and not destroy that which gives it employment, and continually furnishes more employment by expending its savings in increasing the plant. Self-interest will help both to be fair and honest. Thus the conflict between labor and capital will be ended.

But capital must be real, not fictitious; no watered stock. Dividends paid on values that never had an actual existence are simply stolen from the labor of the world. The great alliance between solid wealth and honest labor will solve the social problem. The only tramp will be the idler too lazy to work; the only sufferer, the criminal incorrigible to the rule of honesty and justice.

Let no man doubt that our system will fail to work this problem, vital as it is to human freedom.

It was the hope and desire of some of our early statesmen that the better classes, so called, should emigrate to this country. But it is not the contented and privileged who forsake the old home for the new. It is from the *tiers état* not from the *noblesse*, from the commons not the lords, that we have drawn the manhood that has built up and developed this country so rapidly. The steerage is better than the cabin; the peasant than the prince; the laborer than the capitalist. He goes to work; becomes a tax-payer in peace, a soldier in war. The capitalist puts a barbed-wire fence around thousands of acres of the public domain, or pools his millions in speculation, and takes away his gains to sustain him in aristocratic sloth at home. The *colluvies omnium gentium* are disciplined here into a great civic army, the guardians of order and the creators of wealth.

From this dispersion throughout Europe, the different nations of the Aryan stock are being united again in our Government. The interchange of ideas, the attrition of national differences, the intermingling of blood will break down prejudices and produce, as Herbert Spencer says, "the eventual mixture of the allied varieties of the Aryan race and result in a more powerful type of man than has hitherto existed, a type of man more plastic, more adaptable, more capable of undergoing the modifications needful for complete social life."

He further says:

The American may look forward to a time when they will have produced a civilization grander than any the world has known.

The doctrines of anarchy in the Old World are repressed by weighting down the safety-valve with standing armies. With us, the weird sisters of freedom, free speech, free press, free school, and free conscience; stir them in an open cauldron, and socialism, nihilism, and anarchism bubble and babble, harmless to the open sky. The orator of the sandlots speaks no more, and the screech of the night-hawks of the commune excites ridicule among laborers and scares only hysterical women and millionaires. The red flag of the commune and the black standard of the anarchist fail to catch the calm eye of the American mechanic. He knows that nihilism is the destruction of wealth and the suicide of labor. Jack Cade can not reign here by proclaiming that, "There

shall be seven half-penny loaves sold for a penny; the three-hooped pot shall have ten hoops; and it shall be felony to drink small beer." "If any will not work neither shall he eat" will be the maxim of the future order of things.

That future will not reveal great ruins and a degenerate race.

No mongrel Copt will scowl on the traveler from a mud hut under the shadow of a pyramid, the monument of his father's slavery; no lazzarone will hide his rags under the moonlit arch of a coliseum, the monument of his country's brutality; the memorial of self-government will not be a moldering but glorious torso, dug up by the antiquary from the ruins of free states, but its monuments will be in free institutions and free men.

Post-Office Appropriation Bill.

SPEECH

OF

HON. STEPHEN C. MILLARD,

F NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, March 25, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 5887) making appropriations for the service of the Post-Office Department for the fiscal year ending June 30, 1887—

Mr. MILLARD said:

Mr. CHAIRMAN. I thank the gentleman from Kansas [Mr. PETERS] for yielding me a portion of his time, and in what I have to say I desire to address myself more particularly to gentlemen upon the other side of the House. You have a majority of at least forty upon this floor; and if this bill passes in its present form I insist the responsibility shall rest where it belongs.

My first objection to the bill is that it does not appropriate a sufficient sum for the payment of the salaries of the railway postal clerks. While every other Government employé from the Postmaster-General down to the Department messenger is provided for by the bill only a partial provision is made for the payment of the salaries of the railway postal clerks, the most faithful and the hardest worked class of all our Government employés. There are to-day in the railway mail service forty-five hundred and twelve postal clerks. Under the act of 1882 they were divided into five classes. The first class the Postmaster-General is authorized to pay a salary of $800; the second class a salary of $900; the third class a salary of $1,000; the fourth class a salary of $1,200, and the fifth class a salary of $1,400.

To enable the Postmaster-General to pay them the compensation authorized by existing law the Post-Office appropriation bill should appropriate the sum of $4,890,200. It appropriates only $4,800,000, a sum less by $77,060 than is recommended by the General Superintendent of the Railway Mail Service in his annual report for the next fiscal year.

These salaries were paid until July 1, 1876, at which time it was found that the sum appropriated was insufficient to pay the number of clerks thus employed. It was accordingly decided that the clerks receiving $1,400 per annum should be reduced to $1,300, and those receiving $1,200 should be reduced to $1,150; but this reduction was intended only for that year, and, as I have stated, owing entirely to the insufficiency of the appropriation. By referring to the report of Mr. Vail, the Superintendent of the Railway Mail Service, for the next succeeding year you will find that his estimates were made upon the basis and with the view of restoring the salaries of clerks of classes 4 and 5 to $1,200 and $1,400 respectively. Whether or not the recommendation of the superintendent was heeded I am unable to state, but this I do know, that the salaries of these classes of Government employés were not then and never have been restored.

The attention of the Forty-eighth Congress was specially called to this unjust discrimination by W. H. Thompson, late Superintendent of the Railway Mail Service; and that there might be no mistake made either in the Committee on Appropriations or in the House, in his annual report for the fiscal year ending June 30, 1884, he stated the sum that would be required to restore the salaries of classes 4 and 5—that the additional appropriation necessary for that purpose would be $81,300.

In pursuance of his recommendation, the last session of the Forty-eighth Congress, through the efforts of Mr. Horr, a distinguished member from Michigan, one of the Committee on Appropriations, the amount recommended by the superintendent was put into the Post-Office appropriation bill, and passed both branches of Congress, and in due time was approved by the President. But notwithstanding all this, notwithstanding the particular recommendation of the Superintendent of the Railway Mail Service and the action of Congress thereon, it appears that the salaries of these employés have not as yet been restored; that this $81,300 voted by the last Congress, for this purpose and for no other, is withheld from them, and withheld under the direction of the Postmaster-General.

That this sum of $81,300 was appropriated for the express purpose of paying the railway postal clerks the full amount authorized by the act of 1882 and restoring the salaries of classes 4 and 5 to $1,200 and $1,400 respectively, I call the attention of the House to the report of Mr. Jameson, the present Superintendent of the Railway Mail Service, for the fiscal year ending June 30, 1885. That portion of the report to which I refer may be found on page 9 of his report, and is as follows:

The annual appropriation for the pay of railway post-office clerks for the current fiscal year is $4,682,300. Of this amount $81,300 was presumably appropriated for the special purpose of increasing the salaries of clerks of the fourth and fifth classes to the rates of compensation paid prior to the 1st of July, 1876; but, inasmuch as the appropriation bill as approved does not state specifically that such was the intention of Congress, the Postmaster-General is of the opinion that this fund can not be drawn upon for that purpose.

Mr. Chairman, I have no patience with this sort of special pleading. A specific sum was appropriated, and in pursuance of a specific recommendation of the superintendent, and for a particular purpose. The appropriation is susceptible of no other construction. The decision of the Postmaster-General is another verification of the truth of the old maxim "that there are none so blind as those who will not see."

Now, Mr. Chairman, I am in favor of paying these Government employés the full amount authorized by law, and when I became satisfied that there was to be a contest, not only in the committee, but in the House, I asked the Superintendent of the Railway Mail Service to furnish me the number of clerks in each of the classes 4 and 5, and the additional appropriation necessary. He replied at once that there were five hundred and sixty-four clerks in class 5, and six hundred and seventy-six in class 4, and that an additional sum of $90,200 was necessary for the restoration of their salaries.

I submit there is no good reason why this sum should not be voted them. They are the hardest worked class of employés in the service of the Government and the poorest paid. They are men in middle life who entered the service in its infancy and by hard work, diligent study, devotion and fidelity to duty, have become the most efficient and responsible branch of our governmental service. Our postal service is the best in the world. The postal clerk is oftentimes required to work at all hours of the day and night. His life is full of hardship and peril and not unfrequently has he been called upon to meet accident or death in the performance of his duty.

Mr. Chairman, in behalf of the railway postal clerks I demand this additional appropriation. He is the only Government employé whose salary under existing law is subject to the will or caprice of any one man. The railway postal clerk is the only employé in the service of this great Government who is not paid the full compensation authorized by law. In the various Departments of the Government here at Washington are employed more than ten thousand men and women. They are capable, honest, and efficient; but they are required to labor only six or seven hours per day, and there is not one who is not permitted to receive the full compensation allowed by existing law. What justice, what propriety or decency, I submit, is there in paying the Government clerks in the Departments at Washington who are compelled to labor but six or seven hours a day full compensation, and withhold it from the railway postal clerk, who not unfrequently is compelled to labor twenty out of the twenty-four hours of the day? Mr. Chairman, there is no justice in such a discrimination, and I protest against it.

My next objection to this bill is the compensation which it proposes to allow for the transportation of our foreign mails. For this service the bill recommends an appropriation of $375,000. Upon what basis the recommendation is made I confess I am unable to state, for it is neither sea nor inland postage. For this service section 4009 of the Revised Statutes provides as follows:

For transporting the mail between the United States and any foreign port, or between the ports of the United States, touching at a foreign port, the Postmaster-General may allow as compensation if by United States steamship any sum not exceeding the sea and United States inland postage, and if by a foreign steamship or sailing vessel any sum not exceeding the sea postage on the mails so transported.

The sum recommended by this bill, if it is intended that sea and inland postage shall be paid American vessels, is less than the appropriation recommended by Mr. Bell, the present Superintendent of Foreign Mails, in his report for the fiscal year ending June 30, 1885. I call the attention of the House to the recommendation of Mr. Bell, which may be found on pages 29 and 30 of his report. If it is the will of Congress that sea and inland postage shall be given to vessels of the United States register for the conveyance of mails transported by them, he states that the sum of $425,000 and not $375,000, as provided by this bill, should be appropriated.

In determining the question whether full sea and inland postage should be paid to American vessels for the transportation of our foreign mails, we should bear in mind that sea and inland postage is not what it was when the act to which I have referred was passed. Formerly our vessels received 40 cents a letter to more than one-half the ports to which our mail was carried. To Australia we paid 30 cents a letter; to China, 25 cents a letter.

In June, 1878, a convention of the leading nations of the world was held at Paris for the purpose of revising and re-establishing the rate of sea postage. The result of that conference was a reduction in the in-

ternational sea-transit rates. The rate as established by that conference, and which bound every nation that took part in its proceedings, instead of being 25, 30, and 40 cents a letter, was reduced to 2 and 3 cents. But the rate of international sea and inland postage as fixed by that convention was not in any manner intended to indicate or determine the compensation to be paid by any nation to its own citizens for the service.

Immediately upon the adjournment of the conference, every government but the United States entered into contracts agreeing to pay its vessels adequate compensation for the conveyance of its foreign mails without regard to the rate established by the international conference.

Mr. Chairman, all I ask is that we shall place at the disposal of the Postmaster-General a sufficient sum to enable him to pay American steamships full sea and inland postage. My distinguished friend from Georgia [Mr. BLOUNT], chairman of the committee, will concede that the sum recommended by the bill will not permit him to do it; that $50,000 should be added to the bill to enable the Postmaster-General to pay American vessels full sea and inland postage.

The United States is the only Government on the face of the earth that compels its steamships to carry the foreign mails for the sea and inland postage. Contrast the amount paid annually by the United States with that of Great Britain. Great Britain pays annually for the transportation of its foreign mails $3,000,000, France $3,500,000, Germany $1,600,000, Austria $1,600,000, Italy $1,000,000, Holland $300,000, the United States the magnificent sum of $331,903.24, and of this sum $278,117.41 was paid to foreign vessels sailing under a foreign flag.

But to show how absolutely unjust and ungenerous we are as a nation toward our own people, let me contrast the compensation paid by Great Britain with that of the United States for similar service. Great Britain paid the last fiscal year for her Brazil line upward of $60,000; the United States the enormous sum of $4,210.24. Great Britain paid for carrying her mails to the West Indies more than $400,000; the United States paid the New York and Cuban line $4,134.13. Great Britain paid her China and East Indies lines upward of $1,500,000; the United States paid the Pacific Steamship Company for transporting the mail to China $3,506.64.

The report of the Superintendent of Foreign Mails for the last fiscal year shows that the United States paid the New Orleans, Honduras, and Guatemala line that made five trips and traveled 21,075 miles the enormous sum of $38.91. This was upon the basis of sea postage. Had the line received sea and inland postage it would have been paid $108.74. The Red D line to Venezuela, that made thirteen trips during the last fiscal year and traveled 208,488 miles, was paid, all told, $1,392.94. The officers of that company who appeared before the Committee on the Post-Office and Post-Roads stated that the amount received was not sufficient to pay the actual expenses of carting the mail to and from the vessels.

The Morgan line (Cuba), that made forty-one trips and traveled 30,500 miles, received for transporting the United States mail for the past fiscal year $212.48. The California and Mexican Steamship Company, Mexico, that made twelve trips, received $208.82.

That this matter may be put in a still clearer light, contrast the compensation paid for the transportation of our foreign mail with that paid our coastwise service: Galveston to Brasher, Tex., total distance traveled, 58,500 miles; amount paid the last fiscal year, $50,000; rate per mile, 35½ cents. San Francisco to Portland, Oreg., total distance, 69,660 miles; amount paid, $25,000; rate per mile, 36 cents. Portland to Sitka, total distance traveled, 16,020 miles; amount paid, $34,800; rate per mile, $2.17. Portland to Astoria, Oreg., total distance, 54,880 miles; amount paid, $14,960; rate per mile, 27¼ cents. Total distance of coastwise service, 247,589 miles; average rate per mile 57.6 per mile. The United States and Brazil Mail Steamship Company traveled, beginning July and ending September, 1885, 21,892 miles; amount tendered by the Postmaster-General this company, but refused as inadequate, $1,720.73, or 7.86 cents per mile. It absolutely cost this company $8,606.20. It cost the company 31.44 cents more per mile to handle the mails thus carried than was actually tendered it by the Postmaster-General.

This company traveled for the quarter ending December, 1885, 16,419 miles. The amount tendered the company by the Postmaster-General, but refused as inadquate, $1,500.29, or 9.14 cents per mile. It cost the company $6,454.65, or 30.16 per mile more than was tendered.

In view of these facts, I submit whether the sum of $375,000, the amount recommended by the bill, ought not to be increased to $425,000; whether in any event we ought not to place in the hands of the Postmaster-General a sum sufficient to enable him to pay the full sea and inland postage.

If you will give full sea and inland postage you will then not in some instances furnish an adequate compensation for this service.

The Forty-eighth Congress sought through the efforts of the gentleman from Maine [Mr. DINGLEY], a man who has done more to improve the condition of our ocean and marine service than any man living, to remedy this unfortunate condition of affairs. At the first session the statutes which required American vessels as a condition of clearance to carry the United States mails, whether sufficiently compensated or not, were repealed. And at the last session of the Forty-eighth Congress the following provision was inserted in the Post-Office appropriation bill:

Office of Superintendent of Foreign Mails:

For transportation of foreign mails, including transit across the Isthmus of Panama, $800,000; and the Postmaster-General is hereby authorized to enter into contracts for the transportation of any part of said foreign mails, after legal advertisement, with the lowest responsible bidder at a rate not exceeding 50 cents a nautical mile on the trip each way actually traveled between the terminal points: *Provided*, That the mails so contracted shall be carried on American steamships, and that the aggregate of such contracts shall not exceed one-half of the sum hereby appropriated.

The object of this legislation was not only that adequate compensation might be paid for this service, but that our mails to foreign ports might be transported in American vessels, and that our steamship lines with the South American ports be re-established. I regret to say that the Postmaster-General failed to appreciate this legislation. He refused to enter into contracts as provided by the act. He declined to use the appropriation for the good of the service which was placed at his disposal. He set the deliberate act of Congress at defiance. The result of his conduct was the refusal of American ships to carry our mails, and foreign vessels were permitted to take their places. Had he been the Postmaster-General of Great Britain he could not have pursued a policy more hurtful to the best interests of this country.

The CHAIRMAN. The gentleman's time has expired.

Mr. RIGGS. I will yield a portion of my time to the gentleman from New York in order that he may finish his remarks.

Mr. MILLARD. Mr. Chairman, this is not a political question and should not be regarded in that light. It is a question that affects the welfare of the people of the whole country. The legislation of the Forty-eighth Congress, to which I have referred, was due quite as much to certain liberal-minded gentlemen upon the other side of this House as the side to which I belong. I refer more particularly to the efforts and remarks of my friends FINDLAY, of Maryland, and TILLMAN, of South Carolina.

Sir, the policy inaugurated by the Postmaster-General can not be defended upon the theory that the payment of additional compensation would increase the burdens of the people. The foreign-mail service is more than self-sustaining. The postage received for mail matter transported to foreign countries during the last fiscal year was nearly a million dollars—in exact figures it was $985,731.19—while the amount paid out by the Government, as I have already stated, was only $331,903.24. Not a dollar of revenue obtained by ordinary taxation is to be employed in increasing our postal and commercial relations with foreign countries.

There has not been a year for the last ten years that England has not paid to her own steamships for the transportation of her foreign mails more than a million dollars in excess of the gross amount received for foreign postage.

In 1840 American vessels carried 82.9 per cent. of all our exports and imports; in 1850, 72.5; in 1860, 66.5; in 1870, 35.5; in 1880, 17.4; and in 1882, 15.5.

Mr. ADAMS, of New York. How do you account for the decline to which you have referred?

Mr. MILLARD. By the refusal of Congress to appropriate sufficient money.

Mr. ADAMS, of New York. I understand the gentleman to say that it has continued to decrease.

Mr. MILLARD. Yes; from the termination of the war to the present time.

Mr. DINGLEY. The decline commenced in 1865 and has been steadily going on ever since. It declined more rapidly from 1865 to 1871.

Mr. MILLARD. In 1850 more than one-half of the commerce of South America was done in American vessels and under the flag of the United States. Now our share is less than one-fifth.

In 1850 England had less than 300,000 tons in steamships. She has to-day more than 5,000,000 tons. Her flag is upon every sea and her ships are in every port.

What is the cause of the decline? To-day our merchant marine is a thing of the past. It has barely an existence. European merchants have undisputed sway. For more than twenty years year by year the commerce of the United States has been upon the decline. Year by year our steamships and sailing vessels are being driven from the ocean and the markets of the world. To-day as never before the great question that confronts us is not how we shall reduce the tariff but how shall we revive our foreign commerce, how restore our former relations with the West Indies and the South American countries. There is but one answer to these questions, re-establish our steamship lines, re-establish our commercial relations with foreign countries.

Mr. Chairman, I have no patience with the policy of the Postmaster-General as shown in his treatment of American vessels in the transportation of our foreign mail. The continuance of such a policy means the extermination of all that is left of our American marine. Rather than permit foreign steamships to carry the mails and commerce of the United States I would build the ships at Government expense, man them with American seamen, and, having loaded them with the mails and products of this country, follow the flag of Great Britain into every South American port. And I would pursue this policy until our steamship lines and our commercial relations with the countries that furnish

a market for our surplus products had been fully and permanently re-established.

Mr. Chairman, let us place at the disposal of the Postmaster-General a sum that will enable him to pay full sea and inland postage for this service. Let us do this, and if he fails to avail himself of the appropriation the responsibility will be with him and not with us. [Applause.]

Classification and Compensation of Public Officers.

SPEECH

OF

HON. WILLIAM R. COX,

OF NORTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, March 30, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 6855) to secure an equitable classification and compensation of certain officers of the United States—

Mr. COX said:

Mr. CHAIRMAN: The influence that goes out from this House affects for good or evil every citizen of this Republic. Its prosperity or its misfortunes will depend upon the fidelity and ability with which we discharge our responsible duties. The Treasury, properly denominated the "heart of the nation," is committed to our care, and as the finances of a country are its life-blood its prosperity depends upon their judicious management. Its principal officers must possess cool heads and the highest integrity. Every expression and every act is watched with the closest scrutiny, as they deal with the difficult financial problems continually submitted to them. The regulation and direction of the working forces must be relegated to their subordinates, for there are now twenty-five hundred clerks in this Department.

The Interior Department alone has an army of thirty-six hundred employés. So we have the Departments of Justice and State daily dealing with intricate questions of municipal, constitutional, and international law. Then comes the Army and Navy Departments, the Agricultural Bureau, all employing a grand army of one hundred and twenty thousand officers, exceeding one to every five hundred persons, the controlling influence of whom radiate from this great political center. To expect the President to appoint and the heads of Departments to personally superintend the management of these Departments is literally a vain hope, in view of its magnitude. This bill proposes to aid these officers in their duties, or at least make an inevstigation which will lead to a purification of these Departments. And to do this we present a business proposition to the House.

Mr. Chairman, the bill does not in any respect interfere with the duties or invade the prerogatives of the Civil Service Commissioners provided for by the act to regulate and improve the civil service, approved January 16, 1883, but is independent of and wholly different from that act. Indeed its antecedents go back to an early period in our history when our population was but small and the number of employés in the service of the Government comparatively few.

In 1818 the first law was enacted to classify and improve our civil service. It was incomplete and the work of classification imperfectly done. Still this was the classification upon which the Departments were administered up to 1853, when a new one was made, the only change in the meantime being some minor amendments in 1837 which increased the compensation of the employés. In 1854 the act of 1853 was amended, and since that time no general classification has been made. Amendments to the law, however, have been made, but the classification of 1854 is the one in operation to-day.

The proposition for the classification of 1854 originated in the Senate and met with such favor that after a brief discussion it passed that body without the nay vote being recorded. It was likewise carried through the House with but little opposition.

I now beg to call the attention of the committee to the remarks of Mr. Hunter, of Virginia, chairman of the Committee on Finance, and who as such had charge of the bill, made at the time the measure was under consideration in the Senate. He said:

I believe we shall lay the foundation of what is essential to the safe administration of this Government. I mean a civil-service corps which shall have the experience, the efficiency, and ability to enable the heads of the Departments to administer their respective Departments safely and efficiently, without which I believe that no matter who is President, no matter who is at the head of the Departments, we can not expect that the affairs of the Government will be administered safely and efficiently, because after all it depends upon the honesty, skill, and the efficiency of the men who do the work of the Departments to administer them properly.

What was so well said by this distinguished financier and statesman of that day may be applied with great propriety at the present time.

While we have no data now before us from which to ascertain the number of employés in the Executive Departments at Washington in 1818, at the time of the original classification, we find that in 1837, when the act was slightly amended, the following were the numbers of clerks in the respective Departments, namely:

State Department	22
Treasury Department	221
War Department	73
Navy Department	16
Total	332

Or about one officer to every 39,400 inhabitants.

And in 1854, when the present classification was made, we find that there were employed in the—

Treasury Department	332
War Department	62
Navy Department	32
Interior Department	204
Post-Office Department	79
Total	719

About one to every 35,000 inhabitants.

It will be seen that the Departments of State and of Justice are not embraced in this classification; the number of clerks in them was of minor importance. By the accomplished clerk of the Committee on Appropriations I have been furnished with the following statement of the employés of the Executive Departments at Washington, provided for in the legislative, executive, and judicial law for the fiscal year 1886:

State Department	77
Treasury Department	2,430
War Department	1,513
State, War, and Navy Department building	157
Navy Department	165
Interior Department	2,906
Post-Office Department	596
Department of Justice	97
Total	7,941

One office to every 7,000 inhabitants.

This estimate does not embrace the officials in the Agricultural Department, numbering ninety, provided for in the agricultural appropriation law, which added to the above makes a grand total of eight thousand and thirty-one clerical employés in Washington. So that during the administration of Mr. Van Buren, succeeding that of President Jackson, the civil-service appointments need have given the Executive little care, as in the general service the employés were insignificant in number. Even so late as Mr. Fillmore's administration the whole civil-list in the Executive Departments in Washington was about seven hundred and nineteen, or less than one-fifth of the whole number now in the Interior Department alone, which at this day are said to number over thirty-six hundred—an army of itself. We can therefore readily appreciate the magnitude and ceaseless labors not only of the Executive, but the Secretaries of the respective Departments in their labors to secure an efficient and faithful civil-service corps.

When steps preparatory to the classification of 1853 were taken the views of the respective Secretaries were sought relative to the expediency of establishing boards for the examination of candidates for original appointments, so that the alleged abridgment of the liberties of the people to hold office without the test of qualifications is not of recent origin, as might be inferred. Among other things, Mr. Webster, then Secretary of State, expressed the following sentiments:

The heads of Departments must necessarily be chosen according to political occurrences, but the knowledge and experience of those who perform subordinate duties is quite essential to the prompt and safe administration of the public affairs. Their acquaintance with precedents and knowledge of those duties which can only be gained by long service and careful industry is of the greatest use and importance. No one coming into any one of the various branches of this Department can learn in short time the actual state of things in the bureau to which he may be assigned. While the Department has been under my care no removal has been made without proof of notorious incapacity or inattention to duty.

The other members of the Cabinet, among whom was Hon. William A. Graham of North Carolina, A. H. H. Stuart of Virginia, and others, used the following language:

Leaving to the wisdom of the Legislature to determine how far this power is by the Constitution subject to restraints or conditions, they suggest as the most appropriate means which they have been able to devise for bringing into practical effect the reformations proposed, that in case of a vacancy in any office of clerk, except that of chief clerk, a board shall be constituted by the head of the Department in which the vacancy shall have occurred to examine any candidates to fill the same who may be sent before it by the head of the Department, as well as to their condition of physical health and energy as to their education, skill, or other qualifications for the duties of the place in question; and that no person shall be considered eligible to such an appointment who shall not produce to the head of the Department, to be filed in its archives, a certificate of approval from such board of examination.

It may be urged that the members of the Cabinet who gave expression to such sentiments were old Whigs, who did not properly appreciate the inherent right of all freemen to hold office. But, in apology, I will say there are many now in this body, on both sides of the Chamber, who were old Whigs, honorable and sagacious statesmen, who will repudiate such imputations. And, furthermore, the classifications with these restrictions in regard to examinations originated in a Democratic Senate, and were passed without serious opposition; and the father of Democracy, Mr. Jefferson, prescribed the test of honesty and capacity. It is not my purpose at present to do more than put on record these opinions. For this is an eminently practical business matter, addressed to the reason

and patriotism of this House, and not to its political passions. Otherwise, I would despair of success. It is simply a proposition to classify the service, to regulate the number and compensation of the employés, and to correct abuses which have corrupted the service, and render more equitable the compensation of those in the employment of the Government. It contemplates the appointment by the President of a commission of three persons, not in the public service of the United States, and two additional persons who shall be detailed from the service, not more than three of whom shall be of the same political party.

This commission will be required to prepare and submit to the President a report, or, in case of a difference of opinion among them, one or more reports, for transmission by the President to Congress on or before the first day of its next regular session. It shall recommend the proper classification, compensation, and number of officials to be employed in each Department, showing the number employed at the date of the report, and their salaries and compensation respectively, and the separate offices and commissions in the executive civil service at Washington. The report shall contain one or more arrangements of the officials into appropriate classes, stating the salary or compensation of those proposed for each class, and give their reasons for the recommendations for such classification, salaries, and compensation.

The bill provides that the compensation of those employed in the Departments, as far as practicable, shall be uniform for persons doing the same kind of work. The classification shall not extend to officers confirmed by the Senate, nor to laborers employed in the Departments. The commission shall report the practice as to substitutes, furloughs, and leaves of absence in the service, and in what respect, if any, such practice may be improved, and whether with advantage, and upon what conditions a clerical force may be provided the members of which shall serve from time to time in the different Departments or offices as the exigencies of the public service may require. The compensation of the members of the commission taken from civil life is to be fixed by the President, and the sum proposed to be appropriated for this service is $8,000. It is believed that less than this amount will secure the services of first-class men for this work, as it is not expected they will be engaged in their labors exceeding six months. The surplus, if any, of course, will be covered into the Treasury.

The selection of a mixed commission is believed to be most judicious. Those taken from private life will represent the great non-official, bread-winning classes of the country, while the two detailed from the Departments will bring to the consideration of the subject the practical, ripened experience obtained through their familiarity with the departmental work.

From the President's evident desire to see this Government conducted on business principles, from his oft-expressed wish to see the civil service elevated and purified, it is believed that the greatest wisdom would be exercised in the selection of able and competent men for the duties they are expected to perform, and that they would shed an amount of light upon the subject committed to their care which would be most beneficial to the country, and stimulate Congress to institute such changes in the administration of the Executive Departments as would be not only more just to its faithful, honest, and industrious employés but save annually hundreds of thousands of dollars to the tax-payers. For the working bees would be separated from the drones, who would be expelled from the hive.

The proper classification and arrangement of the employés in the Departments would be of incalculable advantage to the members of the House in making appropriations. It is well known that with the exception of the Committees on Appropriations their reports are sealed books to the members of the House. The amounts annually appropriated are so large and so complex to the average Congressman as to preclude an understanding of their details, except by the better informed who have had the advantage of hearing the discussions preparatory to presenting the bills for consideration. And the overworked Appropriations Committees find it almost impossible to master the details.

By the proposed classification, the appropriations would be made for classes 1, 2, 3, &c., so that any member could understand how many clerks were provided for in classes 1, 2, &c., and approximately know the character of the duties they would be required to perform. Furthermore, it would take away from the heads of the Departments a generous discretion, which in some instances would be abused, and remove the temptation to extravagance and favoritism by pointing directly to the specific object of the appropriation. If it has been found necessary to classify the service on two occasions when the civil list was comparatively small, most assuredly the reasons are tenfold stronger now, when our population has so increased, our expenses been so greatly augmented, and the public employés are so numerous as at present. At all events, this is simply a proposition for investigation and report. What legislation may follow, if any, is a matter for future determination. Let us at least manifest a disposition to act as any prudent man would in the management of his private affairs. Let us occasionally take stock, examine the debit and credit side, and see how matters have been conducted, especially when the business has changed hands and charges of favoritism, nepotism, and baneful social influences have been preferred.

In 1853 our population was but little over one-third of what it is at the present time, and the whole expenses of the Government, including interest, $47,773,988; while our expenditures, including interest, in the year 1885 were $260,226,935, and for the present year will be still greater. In addition, I will add, numerous offices have been created, until the employés in several of the Departments in Washington now far exceed the entire civil list at the time of the last general classification. The classification provided for by the act of 1853 was as follows: Class 1, $900; class 2, $1,000; class 3, $1,500; class 4, $1,800; and this was amended by the act of 1854 as follows: Class 1, $1,200; class 2, $1,400; class 3, $1,600; and class 4, $1,800, the present classification. It is true, amendments have been made from time to time, but they were predicated on this one which was the last general classification. It is confidently believed that the efficiency of the service might be promoted by making additional classes under the lowest grade now established, and which might be filled by women and boys, who have recently shown a much greater disposition to enter the public service than they did prior to the war. In the Post-Office Department youths would be especially adapted to the service, owing to their quickness and readiness to obey commands, and they would be found less expensive than mature men; and as messengers they would prove invaluable in every Department.

The question may be asked, Why can not these changes be made by the chiefs of the Departments? A sufficient reply might be to answer the question by asking another, Why have they not heretofore been made? It is is sufficient to know that it has not been done, and that the service has grown so cumbrous and the abuses been of such long standing that, however disposed the chief of a Department may be to make proper changes, it would be nearly impossible for him to do so alone and unaided. He would naturally be resisted by those around him, his daily associates, who oppose any changes calculated to increase their burdens and responsibilities. He would be carped at as an innovator by the more slothful, and, however good his intentions, he would be discouraged and rendered unhappy by the opposition he would encounter. Further, in many of the larger bureaus the chiefs but seldom see all their employés, and only know them by the names on their books.

I will now invite attention to abuses which I am reliably informed will be found to exist in consequence of the growth of the Government's business, the expansion of the civil service, and the consequent change of its clerical requirements, all of which has been continually ignored by Congress, as it has annually voted so many clerks here and so many there without regard to grade or pay.

That they have been employed without any regard for their grade or pay Congress has never stopped to inquire. Except in the Patent Office, and more recently in the Pension Office, no attempt is made at grading the work by the pay, and pay by the work and responsibility, and under the present system it is impossible for Congress to give its time and attention to correcting these abuses.

We are reminded of the perversions which may exist in the executive department without correction by what occurs in this and the other end of the Capitol, in the gradual increasing of the number of employés and incidental expenses, and can readily perceive how difficult it is to amend them. Within the last ten years the employés of this House have increased over one hundred, and at the other end of the Capitol in a greater proportion, while our expenses continue to augment with no unequal stride.

Returning to the necessity for the commission provided for in the bill now before the committee, I find that in the Departments in Washington men are to-day drawing salaries without regard to the class of work or the quality and amount performed; and incompetency and favoritism have dampened the ardor of those who are compelled to perform the duties of those above them. This can be but an abuse of the service, for it is unjust and an improper discrimination against the working bees of the hive. Who can deny the necessity for an investigation where all of us have heard so many causes of complaint, even if we can not remedy them? That there are abuses, very gross abuses, now existing, no one can deny. Men are drawing seven hundred and twenty and eight hundred and forty dollars who are doing the same work as men who get from twelve hundred to sixteen hundred dollars a year. They are on the rolls as laborers.

In many offices there are men and women drawing the highest grades of pay who are simply copyists and laborers, while men and women are everywhere employed on the same "job" at every grade of pay, without regard to the amount or quality of service rendered. When you step into any room of the Departments and see five or six persons at work, you can form no idea of the pay any one of them gets (except perhaps the chief of the room, who is usually of the higher grade), as there are no assignments of labor with reference to pay. And while exception may prevail in the Patent Office, where the system of examiners, assistant, second, third, fourth assistant examiners is in vogue, even here complaints exist, which should be investigated. These facts are sufficient to put this House on inquiry and to justify the small expenditure which would place most valuable information in our possession.

That great abuse exists in regard to the furlough and absentee system there can be no denial. An eighteen-hundred-dollar clerk, a sworn officer of the law, is allowed to select a substitute in his absence, and

for alleged sickness he may absent himself for months and attend to other business, while the Government may pay for principal and substitute. This substitute is unsworn; is really not an officer; may be a seven-hundred-dollar laborer; and I have heard of instances of the clerks drawing the highest salaries while paying the substitute the lowest wages, thereby reversing the maxim, "The laborer is worthy of his hire." Is this the proper manner to conduct the public business? What would you think of the business principle of a contractor who would hire a gang of men at $4, $3, $2, and $1 per day and put them to work indiscriminately on a house, one man carrying a hod and others mixing mortar and others doing chores at from the highest to the lowest wages without regard to pay or qualifications? This, it appears, is precisely what the Government does. Says an intelligent and reliable citizen, formerly in the employment of the Government:

When I was a clerk in the Treasury Department there were from three hundred to three hundred and fifty clerks in the bureau where I worked. In my division, auditing accounts, there were about one hundred men, paid from $1,200 to $1,800 per year. In my room were three grades of clerks, all doing the same work; in some instances the lowest grades doing more and better work than those of the highest grades. Clerks at $1,600 and $1,800 had charge of file-rooms, where nothing but a laborer's work was performed, and could have been handled by any laborer at $600 a year. Men were on intricate accounts at the lowest grade, and on examining and book-keepers' branches, at all sorts of pay. No attention whatever was paid to the assimilation of work and pay beyond chiefs of divisions and other special places. Nor has this disregard of the plainest business principles changed in any manner with time.

This is a part of the inheritance acquired from neglect and inattention and which demands early attention and correction.

I have thus briefly outlined the main features of the bill now before the House, and I have shown the necessity for its adoption and the good it can be the means of accomplishing. I will add further that the Civil Service Commission has been in operation for about two years and a half. Its employés are the hardest worked and the poorest paid, taking into consideration the character and responsibility of their work, of any of the employés of the Government. Whether their work has been successful in producing the results anticipated; whether their method of procedure was the best calculated to elevate and promote the efficiency of the civil service, is still a mooted question among some members of Congress. The facts to be brought forth by the commission provided for in this bill will be the means best calculated to enlighten the public mind on the subject and solve the disputed problem. I am confident the Civil Service Commissioners will not be reluctant to have the matter tested by an impartial tribunal, but court an investigation and comparison which would redound to their credit.

Where officers have been faithful and Departments well administered due credit will be given, while the slothful alone would suffer. Where classifications in different Departments are unequal and unjust they will as far as practicable be made uniform, and even-handed justice meted out to all. Who should object to this except those who have relatives or friends pensioned on the Government? Such, indeed, should be the effect of a thorough, honest, and complete investigation and classification of the Executive Departments at Washington. But the work will require the best efforts of able, fearless, and well-informed commissioners, who would not be swayed by official frowns or seduced by the blandishments of social or political influences. And such a commission we might reasonably expect at the hands of the able and fearless Executive who now presides with such distinguished ability and acceptability over the destinies of this nation.

Silver Coinage.

SPEECH

OF

HON. DAVID B. CULBERSON,

OF TEXAS,

IN THE HOUSE OF REPRESENTATIVES.

Saturday, March 27, 1886.

The House having under consideration the bill (H. R. 5690) for the free coinage of silver, and for other purposes—

Mr. CULBERSON said:

Mr. SPEAKER: I do not intend to discuss the silver question at any great length, but I propose to enter a plea in behalf of fair play for silver and fair dealing with the people.

I am a friend of silver and in favor of placing it on the same plane with gold in respect to coinage and full unqualified debt-paying power.

Under existing law the coinage of gold is free and unrestricted. The owner of gold bullion may deposit it at the mints and have it coined on his own account, or may exchange it for coined gold.

The owner of silver bullion is not permitted to have it coined on his own account or exchange it for coined silver dollars. But the Government is authorized and required to purchase silver bullion in the open market and cause to be coined not less than two nor more than four millions of standard silver dollars per mouth.

In order to secure the remonetization of silver in 1878 and restore it to its ancient use as money, the friends of silver were compelled to submit to the limitation upon its coinage and to assent to the unwise provision which vested in the Secretary of the Treasury discretionary power over the amount, within the limits, to be coined.

Such badges of servility and inferiority to gold placed on silver in the interests of bondholders and banks ought to be removed at once.

By the provisions of the act of February 28, 1878, silver dollars of 412½ grains were made a legal tender at their nominal value for all debts and dues, public and private, except where otherwise expressly stipulated in the contract.

The repudiation of silver dollars as a legal tender in the payment of any of the debts not within the exception, due by the Government, by the Secretary of the Treasury, is a violation of both the letter and spirit of the law, and is a wrong to the people who are required by taxation to furnish the money to pay the debts of the Government.

If the existing law authorizing the coinage of silver dollars is to remain in force, or if it is to be substituted, as is proposed, by an act providing for the free and unlimited coinage of standard silver dollars, the practice established at the Treasury Department during the reign of the Republican party, and still followed with remarkable fidelity by the officers of that Department, of discriminating against silver and in favor of gold, and of repudiating it wholly as a legal tender in the payment of the public debt, interest and principal, ought to be forbidden by law.

It seems to me, Mr. Speaker, that there could be no greater legislative folly than to require the Government to purchase bullion and cause not less than two nor more than four millions of silver dollars to be coined each month if the Treasury Department shall be permitted, in the exercise of a discretion confided to it by law, to store them away in the vaults of the Treasury and refuse to pay them out upon the matured obligations of the Government.

There are outstanding $194,000,000 of bonds, long past due, and held mainly by national banks, upon which the people are required to pay over $5,000,000 interest annually. Over $30,000,000 in gold have been paid in interest upon these bonds since their maturity.

The last report from the Treasury Department showing the condition of the Treasury on the 20th day of March, 1886, reveals the fact that there were in the Treasury over eighty-five millions of silver dollars belonging to the Government, held and hoarded for no lawful or reasonable purpose, but upon the shallow pretext that they can not be made to circulate in companionship with gold. This report presents nothing new. For years millions of money have been allowed to remain in the Treasury unemployed, while the people have been forced to pay interest upon bonds which ought to have been paid years ago.

In view of this condition of our financial affairs Congress and the country are confronted with the recommendation of the President to suspend the coinage of silver dollars and allow the stock of coined silver dollars, amounting to two hundred and twenty millions, to be absorbed, if possible, in the daily transactions of the people.

We are confronted also with the recommendation of the Secretary of the Treasury to destroy our entire volume of legal-tender greenbacks, and with his answer to the resolutions of inquiry submitted by the Committee on Coinage, Weights, and Measures, that in the future, as in the past, the practice of repudiating silver dollars as a legal tender in the payment of the public debt, interest and principal, will be adhered to.

It is therefore apparent, Mr. Speaker, that the Executive Department of the Government is not only in favor of suspending the coinage of silver, thereby cutting off all further increase of our volume of metal money from that source, but approves the policy of repudiating silver as a legal tender in the payment of the public debt, and of dumping out among the toiling millions of this country the present stock of silver dollars branded with fiatism and dishonor and as unfit to be paid to the holders of Government securities.

If these recommendations should be adopted gold will be the only debt-paying money and national-bank notes the only paper currency. The financial policy of the Democratic party—gold, silver, and paper convertible into coin on demand—will have been repudiated, and the policy of the Republican party, broken and overthrown by the Democracy in 1878, restored.

Are Democrats prepared to accept such results?

Mr. Speaker, it is said that the long administration of the Treasury Department in the interest of gold and in hostility to silver is in open and defiant violation of law, and that no further legislation is needed to compel that Department to use silver dollars in the payment of interest upon the public debt, in the purchase or redemption of bonds with which to provide a sinking fund each fiscal year, or in reducing the public debt from time to time by the application of surplus funds to the payment of the matured obligations of the Government. If that be so it is only necessary to secure fair play for silver and fair dealing with the people to exact and enforce obedience to the laws.

But I apprehend, Mr. Speaker, that upon a brief review of some of the laws which regulate and control the collection of revenues and the custody and disposition of the public funds, it will be found necessary to provide further legislation in order to break up the practice in the Treasury Department of repudiating silver dollars as a legal tender and

coercing their application to the payment of the public debt, interest and principal. The laws to which I refer confide large discretion to the head of the Treasury Department as to the manner in which they may be executed.

I am not here to approve or excuse the action of the Secretary of the Treasury, who avails himself of such discretion to defeat the will of the people by adhering to a policy of administration which has been disapproved by law and repudiated by the people at the ballot-box. But I propose to show the state of the laws upon this subject, and to suggest, with defefence to the judgment of others, such additional legislation as will in my opinion make it impossible in the future for the Treasury Department to administer the financial affairs of the Government in opposition to the will of the people.

Those who claim that the provisions of the act of 1869 have been violated by the Secretary of the Treasury by the failure to use silver in the payment of the interest upon the public debt, or in providing for the sinking fund each year, or in the payment of interest on the bonds which belong to the sinking fund, refer to section 3694 of that act, which reads as follows:

> The coin paid for duties on imported goods shall be set apart as a special fund, and shall be applied as follows:
> First. To the payment of interest in coin on the bonds and notes of the United States.
> Second. To the purchase or payment of 1 per cent. of the entire indebtedness of the United States to be made within each fiscal year, which is to be set apart as a sinking fund, and the interest of which shall in like manner be applied to the purchase or payment of the public debt as the Secretary shall from time to time direct.

The ostensible object of this act was to strengthen the public credit, and the duty imposed upon the Secretary of the Treasury is to carve out of the coin received for duties on imported goods each fiscal year a sufficient amount to pay the interest upon the public debt and to provide the sinking fund required by the law. The balance of the coin, should there be any, is required to be placed in the general funds of the Treasury. It is made his duty also to apply the interest upon the bonds belonging to the sinking fund to the reduction of the public debt.

It will be observed that there is no direction as to what coin, gold or silver, should be set apart. The object of the law is accomplished and its terms literally complied with whenever a sufficient amount of coin—either gold or silver, or both—is used to construct the special fund required by the statute.

Mr. Speaker, without reference to transactions occurring before, it may be affirmed that since the remonetization of silver in 1878 the special fund required to be set apart each year under the act of 1869 has been constructed of gold only. And the interest on the sinking-fund bonds has been paid in gold only and that applied to the redemption of the public debt. No silver has been used for any purpose contemplated by the act. Not because silver had not been received in payment of duties upon imported goods, for many millions have been so received every year, but for the reason, as alleged, that there was no necessity to use it, a sufficient amount of gold having been received each fiscal year with which to meet all the requirements of the statute.

To make this point entirely clear, take the fiscal year which ended 30th June, 1885. The interest upon the public debt for that year amounted to $51,386,256.27, and the amount of bonds required to be purchased or paid for the sinking fund that year was $45,588,150. The total amount, therefore, required by law to be paid out of the coin paid on duties on imported goods was $96,974,406.47.

The whole amount received for duties on imported goods during that year was $181,471,939.34.

Over one hundred millions of that amount were paid in gold, gold certificates, and legal-tender greenbacks, the latter being classed and counted as gold receipts. It will therefore be perceived that an enemy of silver could discard it in constructing the special fund required by the law and yet not violate any of the provisions of the act.

The gold advocates concede that the law contemplated the employment of both gold and silver. Indeed, when that law was enacted the bondholders were proud of their achievements. By its provisions $1,500,000,000 of currency bonds had been converted by legislative fiat into coin bonds and the value of the bonds enormously augmented. But soon after its passage it was discovered that not only had their bonds been converted into coin bonds, but by skillful handling of the special fund means had been provided by a generous Congress, unwittingly, no doubt, by which the interest upon the bonds, as well as the sinking fund, could be paid in gold.

Because Congress failed to declare that no discrimination should be made between gold and silver and that both should be used in proportion to the amount of each paid upon duties on imported goods it is lawful for the Secretary of the Treasury to use gold only, a sufficient amount having been received each fiscal year for all the purposes of the law.

If by accident or chance a friend of silver had been appointed Secretary of the Treasury no such discriminations against silver would have been made. On the contrary, it is not improbable that in view of the long-continued ill-treatment of silver by his predecessors in that Department discriminations in favor of silver and against gold would have been indulged in.

And so it appears, Mr. Speaker, that under existing law the use of silver dollars in the payment of interest upon the public debt, amounting now annually to over $50,000,000 per annum, and in the payment or purchase of bonds for the sinking fund, requiring over $45,000,000 per annum, depends solely on the politics of the head of the Treasury Department. If he should by chance—and that appears remote—be a silver Democrat, silver would be used; if a gold Democrat or Republican, gold only will be used. The will of the people seems powerless to enforce respect for the money of the people.

When the people declared, as they did from 1869 to 1885, that the financial policy of the Republican party should be enforced by the Treasury Department their mandate was respected and obeyed. But when the people revolted against the oppressions and extortions of that policy and declared that the more liberal policy of the Democracy should be administered and enforced by the Executive Departments of the Government, their mandate and their will are to be ignored and all the fruits of their grand achievement in this behalf are to be sacrificed upon the altar of gold.

Again, Mr. Speaker, two millions of gold are expended each month, or in that proportion, in the purchase of silver bullion from which to coin two millions of silver dollars per month.

It would seem to be a fitting thing to invest dishonest silver dollars in depreciated silver bullion; but that is never done. Is it because an opportunity would be afforded for two millions of silver dollars to escape the watchful custody of the Treasury Department and enter into the channels of circulation every month, either actually or in the form of certificates; or is it because the enemies of silver would lose an opportunity to display a want of equivalency in value between coined gold and uncoined silver, a mere commodity?

Whatever may be the cause of this strange practice, the vice to which I desire to invite attention, is: the discretion which the law allows the Department in the use of money for that purpose. The law authorizes the Secretary of the Treasury to use in the purchase of silver bullion any money in the Treasury not otherwise appropriated. Though millions of silver dollars lie hoarded in the Treasury from year to year, and though the banks, with an abnegation of selfish purposes, truly refreshing, thrust their contributions of gold upon the Treasury Department in order that the stock of the precious coin may not fall too low to maintain the war on silver, still no silver dollars are used to buy silver bullion.

Mr. Speaker, if there is anything certain in politics it may be safely affirmed that three-fourths of all the people in the United States oppose the policy of hoarding money in the Treasury. There can not be, in my estimation, a greater wrong inflicted upon the people, a people staggering under the burden of debt which they have borne long and patriotically, than to extort from their earnings year by year, by a system of taxation which feeds the rich and starves the poor, money to be banked up in the Treasury while the matured obligations of the Government go unpaid and gather millions of interest annually. Why should such conditions exist? Why should the people be taxed to pile up reserves in the Treasury to tempt the cupidity of audacious schemes of legislative appropriations unwarranted by the Constitution and unsanctioned by wisdom?

During the year which ended November 1, 1883, $105,634,150, and during the year that ended on 1st day of November, 1884, $105,976,150 were paid upon the public debt, and yet no bonds were called or paid for the year which ended November 1, 1885.

What does that mean? The Republicnn party is in favor of perpetuating a part if not all the public debt, in order to perpetuate the banking system, but yielding to the demands of the people, it paid off during the last two years of its administration over two hundred millions of the public debt.

The Democratic party is in favor of paying off the public debt in order to relieve the people of the enormous burden of interest and destroy forever the basis for that system of banking which usurps the powers of Government over the currency. Yet from March 4, 1885, to March 4, 1886, only $10,000,000 were paid on the public debt. Since then, however, additional calls, amounting in the aggregate to twenty millions of bonds, have been made. Such are the facts, notwithstanding the existence of nearly two hundred millions of matured bonds.

Unfortunately for the people, Mr. Speaker, there is no law that requires the Secretary of the Treasury to apply the surplus funds to the payment of the public debt. The act of 1881 authorizes the Secretary of the Treasury to apply so much of the surplus from time to time to the reduction of the public debt "as he may consider proper." Of what avail is the will of the people? The discretion of the head of the Treasury Department becomes the law of the land.

I submit that such high considerations of the public welfare ought not to be made dependent upon the discretion of the head of any Department of the Government. And since experience has shown that such discretion may be exercised and employed in such manner as to defeat the will of the people upon policies affecting their rights—to dwarf the volume of money and plunge the business of the country into financial distress—it ought to be withdrawn at once and the stern command of law substituted in its stead.

How is it, Mr. Speaker, that legal-tender greenbacks are employed

at the Treasury Department to debase and discredit silver? That they have been so used since 1879 can not be denied. They have been received in payment of duties upon imported goods since that time upon the order of the Treasury Department, notwithstanding the fact that the law authorizing their issue expressly forbids it.

Under the provisions of the resumption act legal-tenders became redeemable in coin. When they are received for import duties under the orders of the Treasury Department they are redeemed in gold at the Treasury, and the gold placed to the credit of duties received on imported goods. Every year since 1879 silver has been cheated by this operation, and the stock of gold with which to construct the special fund for the payment of interest upon the public debt, to provide the bonds for the sinking fund, and to pay interest upon the bonds belonging to the sinking fund, largely increased from that source.

Up to 1882 that practice rested for authority solely upon the discretion of the Secretary of the Treasury, but since the act of 1882 providing for the extension of the corporate existence of national banks there has been just enough color of lawful authority for it to justify the continued injustice to silver.

In preparing for specie resumption in 1879 the Secretary of the Treasury constructed a reserve of one hundred millions of gold with which to redeem such legel-tenders as might be presented for redemption.

The gold was obtained by selling 3 per cent. bonds payable in coin at the pleasure of the Government, and that amount of gold has been held in the Treasury since then to redeem greenbacks, which are more desirable for circulation than gold. Why was it necessary to hold such a vast sum of money for that purpose away from the volume of circulation? The law required that when redeemed at the Treasury the greenbacks should be reissued. Did any one suppose that there ever would be a time when it would be necessary to have such an amount in the Treasury to meet the demand for the redemption of legal-tenders?

Surely not. There has been no necessity at any time for such a magnificent display of gold coin to give confidence in the ability of the Government to redeem the legal-tenders. On the contrary, it was a scheme to debase silver and oblige the bondholders and the banks. It enabled the Secretary of the Treasury to have on hand gold with which to redeem the legal-tenders paid into the Treasury for duties on imports, and thus secure for the bondholders gold for interest on their bonds and gold for the redemption or purchase of the bonds necessary for the sinking fund. The proviso to the twelfth section of the act of 1882 simply recognized the existence of that reserve and provided that, when the amount should fall below one hundred millions the issue of gold certificates should be discontinued. There is no law that requires legal-tenders to be redeemed in gold, and no law that requires a reserve of one hundred millions of gold to be held for their redemption.

Such being the state of the laws to which I have referred, and the manner in which they have been executed, it seems evident to my mind that silver is in danger of being entirely dishonored and debased by official discretion.

What remedy ought to be applied? Free and unlimited coinage of silver would go far toward furnishing a complete corrective of the evils to which I have alluded, and would to a great extent present a shield against the dangers which beset it. If the coinage of silver is made free, as gold is, it will find its way into circulation through friendly agencies, and will consequently escape the obstacles now interposed by the agencies of Government to keep it out of circulation as the equal of gold. To that extent free coinage would promote the value and augment the circulation of silver; but when the silver dollars found their way into the Treasury in payment of debts due the Government what would become of them? Would they not go into captivity the moment they entered the Treasury? Have we any assurance that they would not then as now be repudiated as a legal tender in the payment of the public debt?

With due deference to the opinion of others, I submit that free coinage is not all we need to give silver fair play for silver and enforce fair dealing with the people, but a law as well that shall require the Secretary of the Treasury to pay out the surplus money in the Treasury, less reasonable and proper reserves to be fixed by law, upon the matured obligations of the Government.

Appreciating the absolute necessity of withdrawing the discretion heretofore confided to the Treasury Department over the reserves and the custody and disposition of the public funds, I introduced two bills in the early days of the session, one of which requires the application of the surplus funds in the Treasury to the payment of the public debt, less proper reserves to be fixed by law, and by the other it is proposed to repeal the proviso to the twelfth section of the act of 1882 to which I have called attention.

If these two measures should become laws, and proper reserves be established by law, the Treasury Department will be forced to release from duress and imprisonment not only the silver dollars but all other money unnecessarily hoarded in the Treasury. The results which would follow would be most wholesome and beneficent. Bondholders and bankers would cease to slander and dishonor silver, as they would be interested in maintaining its value. The people would be relieved of millions of interest now unnecessarily exacted. The volume of money, stinted and starved by the arbitrary restraint of millions in the Treasury, would be augmented; enterprise and industry would be stimulated and aroused; labor would look up and feel encouraged, and an era of pure Democratic prosperity would dawn upon the country.

All this, Mr. Speaker, the people expected to realize by a change of administration, and would have been in due time secured to them by the execution of the laws in accordance with the Democratic theory of finance.

Mr. Speaker, I have heard it said in this debate that the highest aim of the Treasury Department since 1879 has been to be at all times able to pay every creditor of the Government such money as he preferred to receive. Such high consideration and respect for the wishes of the creditors of the Government are to be commended. Official politeness is a rare virtue, and should be cherished and nurtured. But, Mr. Speaker, considerations of this character are commendable only when they can be justified by fair dealing with the tax-payers. When the interests and rights of the people must be sacrificed to accomplish such an achievement it ceases to be praiseworthy and becomes a wrong.

The repudiation of silver dollars as a legal tender in the payment of the public debt by the Treasury Department because the holders of the bonds prefer gold is a very great favor to that class of Government creditors. Not for the reason that silver dollars are less valuable than gold dollars, for that is not true. The purchasing power of a silver dollar is equal to that of a gold dollar, and by law its debt-paying capacity is the equal to that of gold, notwithstanding the practice at the counters of the Treasury. But it enables the bondholder to continue his investment, and if a bank holds the bond it enables it to draw interest upon it and maintain a basis for banking as well. It reduces the volume of money applicable to the payment of the interest and principal of the bonds, and thereby appreciates the value of the bonds.

On the other hand, the repudiation of silver as a legal tender in the payment of the bonds and hoarding it in the Treasury inflicts upon the tax-payers the unnecessary burden of furnishing other money to pay interest upon the matured obligations of the Government. It locks up from circulation vast sums of money and breeds those terrible evils to business that follow contraction. It taints with depreciation and discredit the silver dollars already placed in circulation by the Government by the payment of ordinary creditors. And, finally, it commits the Government to the unjust and indefensible policy of declining to enforce the law against the supposed interest of a favored class, while it compels, by its courts, the people to obey and abide the law.

What right, Mr. Speaker, has a bondholder to decline to receive silver dollars in payment of bonds? They are payable in coin, and the contract expressly provides that they are payable in coin of the present standard of value. The refusal to accept silver is a bald repudiation of the contract. When did it become the policy of this Government to legalize repudiation and compel the people to yield obedience to the mercenary exactions of repudiators?

The option to pay the public debt, interest and principal, in either gold or silver or both is a valuable right for which the people paid most dearly. About one-half the public debt was originally payable in currency of greatly depreciated value. Without consideration to tax-payers, Congress annulled that contract and provided for the issue and sale of the bulk of the present bonds payable in coin in order to obtain coin to pay off such of the currency bonds as were not exchanged for the present issue, dollar for dollar. In that transaction the tax-payers were literally despoiled of over $500,000,000, which bondholders pocketed as profits. In view of these facts, any law of Congress that strikes down this option of the tax-payers, or any practice of a department of the Government which shall destroy it will inflict upon the people an unforgivable outrage.

It is said by the gold advocates that a silver dollar is worth only 80 cents in gold. If that be so, and for the purposes of this argument I concede that gold advocates make no mistakes in money matters, it follows, that if silver is repudiated as a legal tender in the payment of the public debt either the tax-payers must lose $300,000,000 by being compelled to furnish gold to pay the public debt without reference to interest, or the bondholders must lose that amount by being required to abide their contract and accept silver.

There is no escape from one or the other of these results. The public debt in round numbers amounts to $1,500,000,000; if that is to be paid in gold only, and gold is worth 20 cents more in the dollar than silver, then the tax-payers must furnish three hundred millions more money to pay the debt than if paid in silver.

I am not contending that the public debt should be paid in silver only, but in behalf of fair dealing with the people I insist that their option to pay the public debt in either gold or silver shall not be abridged or impaired, either by the legislation proposed or by the despotism of official discretion. The people have never demanded that the public debt should be paid in silver only, but they do demand that the volume of metal money shall not be reduced by the destruction or debasement of silver, and that their right to use either or both of these coins in the payment of the public debt shall not be again taken away from them.

If, as is alleged by the advocates of gold, either the bondholders or the tax-payers must lose three hundred millions of money, which class should lose? If there is any sanctity in contract, if a decent respect is

to be paid to the great principles of equity and justice and fair dealing, the answer to the inquiry is plain.

Mr. Speaker, whenever the rapacious triumvirate of bondholders, banks, and syndicates of wealth contemplate a raid upon the volume of money for the purpose of exalting the value of gold and increasing the value of all coin obligations, the air becomes suddenly filled with protestations of friendship and sympathy for the poor from the organs and advocates of the unhallowed schemes.

The efforts of the real friends of the people to shield them from the rapacity of the organized and disciplined combinations of wealth are met with denunciations of communism and demagogy or scoffing merriment. Listening to the wonderful expressions of human sympathy which come on every breeze and from every quarter where public sentiment is molded, one would naturally believe that the toiling millions have no friends but bondholders and banks. So is the lion the friend of the lamb, and the spider the friend of the fly, until the unsuspecting victim is powerless.

These sycophantic exhibitions of friendship for the poor are displayed here in the advocacy of a measure the legal operation of which must dump two hundred and twenty millions of silver dollars, alleged to be worth only 80 cents on the dollar as compared with gold, among the people to be used by them in their daily transactions so that bondholders may be paid in gold only. Repudiated and dishonored by bondholders and banks as an unfit money to be received by them, they are to be cast out like old clothes among the needy poor.

The war waged upon silver is not because it is of less real value than gold. The apparent depreciation of silver bullion, a mere commodity, when compared with coin gold, and which is the basis of all the hue and cry of dishonesty of the silver dollar, has been produced by the deliberate and concerted effort of those who seek increased wealth by its debasement, aided by the strange and unnatural hatred of the Treasury Department to its use as a full legal tender. The irrepressible conflict between the financial policy of the Republican party and that of the Democratic party is opened afresh, and a brief comparison of these policies is challenged and invited.

The Republican party, inspired by the support and applause of bondholders, banks, and corporate influences, struggled from 1866 to 1875 to destroy all other money except gold, and all currency except national-bank notes. To accomplish that object and fix that policy upon the financial system of the Government, the legislative authority of Congress was perverted, and measures which excelled in greed and avarice all other schemes to plunder the people known among civilized nations were enacted into laws.

During the three years between 1866 and 1869 the volume of currency was reduced over nine hundred and fifty millions, and the currency withdrawn from circulation was covered into the coffers of wealth—merged into long-time interest-bearing bonds. By that brilliant stroke of financial legislation the people were despoiled of over $450,000,000 wthout consideration.

The people, Mr. Speaker, can never forget the unparalleled outrage inflicted upon them by the acts of 1869–'70–'71. It required the legislative force of all those acts to alter a plain contract and place the proceeds of the larceny beyond the reach of subsequent legislation and make it impossible for the tax-payers to exercise the right, which they had reserved, to pay an issue of bonds amounting to $1,500,000,000 in currency.

The demonetization of silver in 1873 was another link in the chain by which the brain and muscle of the people were held in slavish servitude to the kingly power of gold. Who can estimate the profits made by the holders of $2,500,000,000 of coin bonds by their sudden conversion into gold bonds? It was a golden harvest. The sanctity of contract was powerless to stay the hand of legislative spoliation.

In 1875 the crowning infamy, to enthrone gold as the sole debt-paying money and make national-bank notes, the obsequious attendants of gold, the only paper currency, was consummated.

In the expiring days of the Forty-third Congress legal-tender greenbacks were doomed to destruction by a provision in the resumption act. That volume of currency was the last and only barrier against the absolute dominion of the banks over the currency. Its removal was provided for, and an open field for the circulation of bank notes graciously made in which the banks might exercise their powers of contraction as their greed might dictate.

Unshamed by the rebuke of the people, and unmoved by the widespread distress which its legislation had brought upon the country, the Republican party—defeated and routed at the polls—as it left this Hall cast this Parthian arrow from a quiver of greed at the best money of the people.

The evils which followed these great financial wrongs overwhelmed the people with gloom and despair. Who even now, Mr. Speaker, can contemplate the condition of the people during the period from 1869 to 1879, a decade of spoliation and wrong, without indignation and shame?

The fires in our great furnaces burned to ashes; enterprise faltered, withered, and died; immigration halted at the threshold of our country; no new fields gladdened the eye. Thousands of happy homes, where thrift and comfort once abounded, became the dwelling places of hunger and despair; labor looked down upon its rags and begged for bread; values perished in the fearful financial blight and property shifted into the hands of the fortunate possessors of gold and gold mortgages at gold prices.

Such, sir, was the condition of the country when the Democratic party appeared here in a majority for the first time in a quarter of a century.

The reign of the Republican party had been broken and overthrown because that party had destroyed the volume of money and filled the land with panic and bankruptcy. It had covered into the strong boxes of wealth nearly a billion of dollars wrung from tax-payers without consideration. It had struck down silver to enrich bondholders and swell the profits of banking. It had legislated in the interest of bank monopoly and against the right of the people for an adequate volume of currency. It had fastened the fangs of an infamous system of taxation in the vitals of the earnings of the people to provide coin to pay bonds which the people had reserved the right to pay in currency. It had severed empires from the public domain, God's gift to the homeless, and donated them to corporations already fattened upon the spoils of financial legislation. It had made prosperity for the rich and despair for the poor by legislation.

The Democratic party came here with a majority pledged to the people to wipe out, so far as possible, the cruel and unjust legislation which had covered the land with the ruins of fortunes and heaped intolerable burdens upon the people. It had opposed with all its power, feeble as it was at times, the consummation and enforcement of the financial policy of the Republican party and maintained the rights of the people against the mercenary encroachments of legalized robbery.

True Democracy could not have done otherwise. It would have been treason to the great principles of the party to have joined in schemes of legislation which destroyed private contracts, altered contracts of Government in the interest of bondholders, struck down silver, starved and stinted the volume of money, enslaved industry, and constructed in a free republic an aristocracy of wealth. Throughout that long decade of wrong the representatives of Democracy pleaded for equal laws and a liberal volume of money—gold, silver, and paper convertible into coin on demand and a volume adequate to meet the wants of business, freed from all taint of fiatism and depreciation and divorced wholly from the dominion of banks and the thralldom of official discretion. It was of course impossible, Mr. Speaker, to restore to the tax-payers the millions of dollars of which they had been despoiled by the conversion of depreciated notes into bonds and by the alteration of contracts, or reclaim for the poor and homeless all the vast territory which had been filched from the public domain under the forms of law.

Over these gigantic outrages the seal of contracts had been impressed, and they had passed from the province of legislation. Intrenched and fortified in the Senate, the tariff still gathers coin for bondholders, and its annual tribute of $500,000,000, soiled with the dust of labor and toil, to swell the riches of favored classes. But there have been many reforms achieved, and chief among them was the overthrow in part of the financial policy of the Republican party.

In 1878, after a long and bitter contest for years, that great crime against the people, the demonetization of silver, was rebuked, and silver restored to its ancient and lawful use as money. One hundred millions of legal-tenders had been burned to ashes in the furnaces of the Treasury under the law providing for their destruction. The execution of the law was arrested and that provision of the resumption act was repealed. Three hundred and forty-six million of legal-tenders thus rescued from the fires of the Treasury were converted into a perpetual revolving volume of money between the Treasury and the people. The passage of these two acts overthrew the financial policy of the Republican party and broke the chain which held the earnings of the people subservient to the rapacity of gold. Everywhere, save in the gilded palaces of wealth and the counting-rooms of scheming monopolies, their passage was hailed with delight.

What results followed? Labor was encouraged, business and industrial enterprises revived, and marked improvement in the condition of the people was evident. Our volume of money has grown from nine hundred and fifty millions, the average amount for the period between 1873 and 1879, to one billion and seven hundred millions, and is increasing every year from fifty to sixty millions by the coinage of silver and gold. As our population and business increase the volume of money increases. Great and beneficent as the results of breaking down the financial policy of the Republican party and overturning the despotism of gold have been, they would have been immeasurably greater and far more beneficent but for the autocratic power of the Treasury Department over the finances of the Government which has been wielded since 1879 to repress and hinder the free and full operation of the law remonetizing silver and authorizing the issue of silver certificates to facilitate its circulation.

Mr. Speaker, the proposition now made to abandon the fruits of those magnificent triumphs of Democracy over the combined powers of monopolies and to repeat the folly of the Republican party by destroying our growing volume of money, either by the suspension of the coinage of silver or the redemption and cancellation of greenbacks, falls on the ears of the people like the sound of fire-bells at night. Are there no

loftier aims or nobler purposes to inspire the heart of Democracy than blindly following in the paths of outrage and wrong made by the Republican party over the rights of the people?

Sir, if the Democratic party would remain in power it must keep its pledges to the people. Infidelity to that great and fundamental principle on which the party rests, which declares that all men are equal before the law, and that whatever blessings the Government shall bestow shall fall like the dews of heaven on all alike—the poor as well as the rich—will wound its honor and insure the speedy death of its reign.

The love of the great popular heart can only be maintained and cherished by fair treatment and equal laws. [Prolonged applause.]

Labor Arbitration.

SPEECH

OF

HON. HENRY B. LOVERING,

OF MASSACHUSETTS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, March 31, 1886.

On the bill (H. R. 7479) to provide for the speedy settlement of controversies and differences between common carriers engaged in interstate and Territorial transportation of property or passengers and their employés—

Mr. LOVERING said:

Mr. CHAIRMAN: The bill under consideration, reported from the Committee on Labor as a substitute for such measures relating to the formation of boards of arbitration as had been referred to it, is the best measure upon which the committee could practically unite after an exhaustive consideration in committee of the question in all its scope and bearing. Every bill submitted contained compulsory features, which the committee practically considered if not unconstitutional at least repugnant to the spirit and teachings of the Republic and of our free and enlightened institutions; hence all these conditions enforcing arbitration are eliminated from the substitute bill now under consideration. For it was claimed, and rightly, if the compulsory feature was incorporated as a provision it was not arbitration, but in its stead the creation of a court with all the powers of a court to enforce its decrees against whichever of the parties in interest the decree may lie upon their refusal to abide by the finding. Who shall say that the business of a railroad or of an individual shall be run at a loss? Who shall charge disloyalty when an award goes against these parties if they close their road, or sell their horses and vehicles of transportation and go out of business? And, on the other hand, who shall say a workman shall continue work unless he shall choose, when he chafes under a sense of wrong in the operation of what he considers an unjust decree?

The bill introduced by the gentleman from Missouri [Mr. GLOVER] is practically the English act, commonly known as the "Mundella law," as arbitrary an act as ever was drawn for the compulsory settlement of labor disputes. That act, from the very force of its imperial and arbitrary nature, has never yet, although passed as recent as 1872, been evoked in the settlement of a single dispute.

As Mr. Robert Kettle, to whom the cause of industrial arbitration in England owes a heavy debt, says: "It is agreed that according to the spirit of our laws and the freedom of our people, any procedure to be popular must be accepted voluntarily by both contending parties." This act, which never has accomplished anything in the direction sought, is now almost bodily lifted into this House, and we are asked to encumber our statute-books with it. Had the gentleman studied the history of industrial effort in Great Britain he would have found that although there are three acts at present compulsory in their nature on the statute-books—the first, passed in 1824, and generally referred to as 5 George IV, cap. 96; the St. Leonard's act of 1867, and the act which he has brought to our notice—they have seldom if ever been used; he would also have found that the differences that have been settled in England by arbitration in the past twenty-two years have all been voluntary in their submission and in the enforcement of the award, and that moral coercion in case of any attempt to repudiate the awards, or, as Mr. Kettle so happily terms it, "that aggregate honor of individuals," which our French neighbors call *esprit du corps*, have generally been sufficient to secure the enforcement of awards."

So much, Mr. Chairman, for the endeavors to enforce arbitration in England; it has proven a complete failure under all its acts; and I do not believe we desire to ingraft upon our system a code which has not been accepted in a nation where conditions were better for its successful enforcement than exists in free and enlightened America. Why, sir, the practical operation of this bill if applied to the present controversy on the great Southwestern system, if the workmen felt that the provisions of the enforced award was unjust, that Jay Gould had manipulated the composition of the board in his favor, and consequently they declined to accept the award, they may be fined, and in default of payment of fine, thrown into prison to rot until it was paid. Why, sir, I fancy the States would have immediately to go into the prison-building business in order to accommodate the 8,000 men engaged in the controversy.

The substitute bill of the committee is drawn in the light of such history as I have cited; it recognizes the power of that greatest of all tribunals, public opinion, from which there is no appeal.

Gentlemen have been pleased to say the bill is a fraud and will be spurned by the workmen of the nation; that it makes a promise to their ear only to break it to their hope, simply because the committee have not chosen to take the parties by the throat and tell them they shall submit to enforced arbitration the decree of which they might not feel bound to respect. As one of the committee, I accept the consequence predicted in this direction, without fear or trembling, satisfied that I at least have tried to do my duty as I saw it.

The bill does not, as has been stated, change existing conditions one iota as regards the inherent right of parties to arbitrate if they choose. This voluntary right the committee respect, and they provide, and I quote the language of the first section of the bill, that "upon the written proposition of either party to the controversy to submit their differences to arbitration, the other party shall accept the proposition, then and in such event, &c., they may go on and select their board."

Now, suppose under this act one party with a desire to settle impending controversies serves notice as provided of such desire upon the other party to the controversy, and the party on which such notice is served flatly declines, what happens? Why, immediately public opinion is wrought upon to an extent commensurate with the magnitude of the interests involved, and will invariably sympathize with the party who has in good faith first proffered the olive branch, for the justice and fairness of the proposition to submit for arbitration is apparent, and ninety-nine times in the hundred the moral sentiment evoked will force the stubborn party to terms. So long as the workmen remain peaceable and commit no overt acts the sympathy of the public is with them. Now, then, when reason has resumed her sway and pride and passion has subsided and a willingness finally shown to desire a settlement of pending controversies, they agree to arbitrate. If they can not agree among themselves as to the composition of the full board from the ranks of parties in interest, they may proceed under this bill to select one each from the ranks of persons entirely disinterested in the controversy, who shall in turn select the third, wno are then clothed with a legal status and given for the time being the powers and privileges now possessed by United States commissioners. They shall go on and investigate all facts in the case in an impartial manner, and on its conclusion shall announce publicly its award, with the findings of fact upon which it is based, which shall be reduced to writing and signed by the arbitrators concurring therein.

I claim in the light of history an award brought about in this way, if fair, and the presumption is that it will be fair, will be respected by all the parties in interest, from the very force and power of the moral sentiment breathed into life and surrounding the transaction. Thus far I am willing to go.

Some law is demanded, which demand has found utterance in the introduction of bills precipitated no doubt by the serious aspect of the pending labor troubles in the great Southwest. In response to this demand the committee have given you the result of its best effort in the substitute before you. We do not claim it is infallible, but it is the best we can present with any degree of unanimity for your consideration. It gives the sanction and approval of Congress to the principle of arbitration, and provides the machinery by which it may be set in motion and a decision reached of acceptance or non-acceptance of the award. The results it leaves for approval or condemnation, as the case may be, by an enlightened public opinion, that great reservoir of moral force which, with unerring judgment, never fails to distinguish right from wrong and render its decisions in accordance. Its effect is more binding upon the subject than all the laws in Christendom. It is a bold man who dares to snap his finger in the face of the public. Even Vanderbilt, with all his millions and personal independence, denied he ever said "The public be damned."

There is another feature of the bill which commends itself to my judgment. The third section of the bill provides that after the arbitrators have announced their award they shall file with the Commissioner of Labor of the United States the findings of fact and the testimony taken. So that at all times, when advantage is taken of the proposition submitted in this bill, the Commissioner is advised of every step taken in the matter, and all the material facts become matters of statistical reference in his office, from which his findings may be deduced for the benefit of the country in the consideration of the great underlying motives which govern the movements of labor and capital.

In closing, I desire to submit some facts taken from a report on "industrial conciliation and arbitration," published by the commissioner of labor of Massachusetts in 1881, who is also the present head of the Labor Bureau of the United States, as bearing upon the question under discussion, and therefore pertinent at this time:

INDUSTRIAL CONCILIATION AND ARBITRATION IN ENGLAND.

In transmitting to his government the report on this subject, which we now

reproduce, the author makes special acknowledgments for aid given him in its preparation to Mr. Rupert Kettle, judge of the county courts of Worcestershire; Mr. A. J. Mundella, M. P.; Mr. B. Samuelson, M. P.; Mr. Thomas Burt, M. P., representative of the colliers; Mr. Ed. Trow, secretary of the National Amalgamated Iron Workers' Association; Mr. George Howell, formerly secretary of the parliamentary committee of the trades-union congress; Mr. George Broadhurst, present secretary of the same; Mr. Alsager Hay Hill, editor of The Labour News; Mr. W. H. S. Aubery, editor of Capital and Labour; and especially to Mr. Charles Wheeler, of Wolverhampton.

He also says:

"I found, at the beginning of my inquiries, that though there were at least three laws on the statute-books of England on this subject, they were virtually dead letters, and therefore I directed my attention to the workings of the voluntary boards of arbitration and conciliation that exist in a number of the trades of that country; and have given, in this report, some account of their operations, with copies of the rules of the most important. These rules will be found in appendices to the report, together with the latest act of Parliament on the subject of arbitration.

"The condition of the laboring class, and the strength and extent of the labor organizations, were subjects to which I was forced to devote considerable attention in order to correctly understand and appreciate the workings of arbitration; but I have touched upon these subjects incidentally, and only so far as was necessary to an understanding of the difficulties to be overcome."

The report then continues, as follows:

"Preliminary—Conseils des Prud'hommes—Arbitration in England prior to 1860.

"Industrial arbitration and conciliation had their origin in France early in the present century. The system established was the outgrowth of the trade guilds which had existed in that country and regulated trade matters in some cases from the middle ages. These were abolished during the last days of the monarchy of Louis XVI, a time when the constitution of industrial as well as political society was being overturned. After a few years of imperfect legislation, in 1806, at the request of the workingmen of Lyons and by command of the First Napoleon, courts of arbitration and conciliation were established by law. These, with some slight modification, have continued until the present under the title of 'Conseils des Prud'hommes.' These councils are judicial tribunals, constituted under authority of the minister of commerce, through the chambers of commerce, which are established at important trade centers of that country. They are composed of an equal number of employés and workingmen members, each class electing its own representatives, with a president and vice-president named by the government. The authority of these councils extends to every conceivable question that can arise in the workshop, not only between the workman and his employer, but between the workman and his apprentice or his foreman. There is but one question they can not settle—future rates of wages; but even this can be done by mutual agreement. Arbitration is compulsory upon the application of either, and the decisions of the court can be enforced the same as those of any other court of law.

"The workings of these courts have been beneficial to French industry, especially in conciliation, by which more than 90 per cent. of all cases brought before the tribunals are settled. In 1847, the sixty-nine councils then in existence had before them 19,271 cases, of which 17,951 were settled by conciliation in the private bureau, 519 more by open conciliation, and in only 529 cases was it necessary to have formal judgment. In 1850, of 28,000 cases, 26,800 were settled by conciliation. There were, at the close of 1874, one hundred and twelve councils in France. This is a most satisfactory showing; but it falls far short of expressing the great benefit these councils have been to French industry, especially in removing causes of differences or in preventing them from growing into disputes. Their success is sufficient justification of the praise so lavishly bestowed upon them by M. Chevalier, "*Une des plus nobles créations dont notre siècle l'honore.*"

Tribunals similar to the conseils des prud'hommes of France are in existence in Belgium. Their success, however, has not been as marked as in France, owing in part, no doubt, to the fact that they have in some cases criminal jurisdiction.

In Great Britain, though a law somewhat similar in its character to that of France, and evidently framed from it, has been on the statute-books since the fifth year of the reign of George IV (1824), so little use has been made of its provisions that its existence was practically forgotten. England did not possess the organizations necessary to its successful workings, and the compulsory features seem especially obnoxious to both employer and employed. As Mr. Rupert Kettle, to whom the cause of industrial arbitration owes such a heavy debt, says, "It is agreed that, according to the spirit of our laws and the freedom of our people, any procedure to be popular must be accepted voluntarily by both contending parties." (Strikes and Arbitrations, page 26, London, 1866.) The history of arbitration and conciliation in Great Britain fully justifies this remark.

Previous to 1860, a year which marks an epoch in the history of industrial arbitration in England, it had frequently been applied to the settlement of industrial disputes. Legal sanctions, however, were never sought for the awards. They were loyally accepted without any constraint except a man's sense of honor and a certain *esprit du corps*, both among employers and employed. These arbitrations were not only frequent, but in some trades were systematically used in every dispute which arose. The pottery trade furnishes a very good example of continuous and successful arbitration. In this industry, one of the most difficult in which to harmonize the conflicting views of capital and labor, by reason of the large number of trades into which labor is divided and the peculiar customs that have come to be regarded as rights—in this trade there has not been a general strike since 1836; and the reason given is that disputes have been invariably settled by arbitration. The yearly "contracts for hiring" contained the following clause: "If any dispute arise between the parties as to the prices or wages to be paid, by virtue of such an agreement, the dispute shall be referred to an arbitration board of six persons, to consist of three manufacturers, chosen by the masters, and three working potters, elected by the workingmen." This clause does not provide for a board to settle future rates of wages; but both sides have formed what may be called the habit of arbitrating, and they have appealed to this principle in trouble. As a result, for over thirty years this clause has prevented strikes in this trade.

It is not necessary to extend this report by giving other examples, showing the history and success of arbitration prior to 1860. It was often appealed to in many trades, though in none does it appear to have worked as well, or to have been tried so continuously, as in the pottery trade. There had, as the result of these trials, grown up, especially among the work-people, a decided feeling in favor of industrial arbitration and a willingness to give it a trial, which doubtless rendered the attempts to establish it as a principle much surer of success.

THE ESTABLISHMENT OF VOLUNTARY PERMANENT BOARDS OF ARBITRATION AND CONCILIATION IN ENGLAND—DIFFERENCE BETWEEN ARBITRATION AND CONCILIATION.

As already stated, the year 1860 marked an epoch in the history of arbitration and conciliation in Great Britain, and gave it a new character, one more in accordance with the tone of modern thought and the changed relations of capital and labor.

Late in that year, mainly through the efforts of Mr. A. J. Mundella, the first permanent or continuous board of arbitration and conciliation in England was established in the hosiery and glove trade at Nottingham. Mr. Henry Crompton, in his admirable little work on "Industrial Conciliation," in speaking of the establishment of this board, says (page 33): "Mr. Mundella must be regarded as the inventor of systematic industrial conciliation." In view of the fact stated in the previous section that the large majority of cases brought before the conseils des prud'hommes were settled by conciliation in the private bureau, this claim can hardly be made for Mr. Mundella. The distinguishing feature of the board organized by his efforts, and at the same time the marked characteristic of arbitration since 1860, is that it is systematic conciliation or arbitration organized on a purely voluntary basis, without an appeal to legal processes, even to enforce its decisions. That is, its novelty is not that it is systematic—the French conseils were that—but that it is both systematic and voluntary, and these the French prototypes were not.

The voluntary feature of these boards is one to which I desire to call particular attention. Both Mr. Mundella and Mr. Kettle, to whom the cause of arbitration and conciliation in England owes much that it is, and who represent somewhat diverse views on the subject, agree that these boards should be voluntary, and not compulsory. Though there are acts of Parliament which provide compulsory legal powers, by which either side can compel the other to arbitrate on any dispute, these powers have never, in a single instance, so far as I could learn, been used; but the large number of differences that have been settled by arbitration in Great Britain in the last eighteen years have all been voluntary in their submission, and in the enforcement of the award. Mr, Kettle would provide, that the awards should become part of the contract between the employer and the employed, to be enforced at law as any other contract; but, as these contracts can be terminated by a short time-notice, it does not take away from the voluntary nature of the arbitrations under what is known as the Wolverhampton system. How this voluntary feature has worked in practice will be evident in the course of this report.

In discussing this subject it is very important at the outset to distinguish between arbitration and conciliation. Though the former is a generic word and the one more commonly used in referring to the system, there is an essential and important difference between arbitration and conciliation. Unless this is clearly impressed on the mind, and the scope and working of each clearly understood, it will be impossible to learn the secret of the success that has attended these boards, and the reason of their continued existence. Arbitration deals with the larger questions of trade, conciliation with the smaller; arbitration with the whole trade, conciliation oftener with the individuals. Conciliation is not formal; it does not attempt to sit in judgment and decide in a given case what is right and what is wrong; but its efforts are, in a friendly spirit, to adjust differences by inducing the parties to agree themselves. It removes causes of dissensions and prevents differences from becoming disputes by establishing a cordial feeling between those who may be parties to the same. Conciliation, in a word, may be defined as informal arbitration. Arbitration, on the other hand, is formal. It sits in judgment. It implies that matters in dispute by mutual consent or by previous contract have been submitted to arbiters and an umpire, whose decision is final and binding on both parties. Mr. Crompton, in his work on Industrial Conciliation, says (page 17), when contrasting arbitration and and conciliation, "conciliation aims at something higher—at doing before the fact that which arbitration accomplishes after. It seeks to prevent and remove the causes of dispute before they arise, to adjust differences and claims before they become disputes. A board of conciliation deals with matters that could not be arbitrated upon, promoting the growth of beneficial customs, interfering in the smaller details of industrial life, modifying or removing some of the worst evils incidental to modern industry, such, for example, as the truck system, or the wrongs which workmen suffer at the hands of middlemen and overseers."

It is this preventive feature that gives conciliation a value beyond estimation. It is a most admirable and praiseworthy object to provide means for settling disputes when they have arisen. It is much more desirable to prevent them from arising; and the tendency of conciliation is to do this, by removing the old feelings of bitterness, by inspiring respect for each other, and fostering at the same time a spirit of independence, and compelling a recognition of the dignity and worth of labor and the necessity and beneficence of capital.

And yet, after all that may be said in praise of conciliation, it is conceded even by its warmest advocates that back of all conciliation there must be arbitration. The time may come, and in the settlement of certain questions, generally will come, when no friendly offices are sufficient to enable capital and labor to see alike. Self-interest renders it impossible for either to decide fairly, and something more than a master of ceremonies or a conciliator is needed. There must be power to determine as well as hear. That is, arbitration must intervene, and its decisions accomplish what conciliation is powerless to bring about.

To show the workings of arbitration and conciliation, I have given in the following pages a detailed account of the organization and operation of several of the most prominent boards. The records are mainly those of arbitration, not of conciliation, as in war it is the battles that are recorded, not the skirmishes and movements for position.

THE NOTTINGHAM SYSTEM OF ARBITRATION AND CONCILIATION.

The so-called Nottingham system of arbitration or conciliation owes its establishment to Mr. A. J. Mundella, at present one of the members for Sheffield of the House of Commons. Mr. Mundella has been most earnest and untiring in his efforts to make arbitration the prevailing and recognized method of settling all disputes that may arise between labor and capital; and it is not too much to say, that to his intelligent efforts much of the success that has attended conciliation is due.

The hosiery and glove trade, with which Mr. Mundella is connected, is one of the most localized in Great Britain, being carried on only in the immediate vicinity of Nottingham, in Nottinghamshire, Derbyshire, and Leicestershire. I need not point out that such a concentration of one class of skilled labor led to union, and a consequent power not always judiciously used. According to all accounts, the relations between employers and employed in these trades, prior to 1860, were as ugly as could well be imagined. From 1710 to 1820, there is a frightful list of murders, riots, arsons, and machine-breaking recorded, all arising out of industrial differences. An act was passed by Parliament, early in the century, punishing machine-breaking with death; and in 1816 six persons suffered this penalty. In the remaining forty years of the century and a half from 1710, while the worst features of this industrial strife nearly or quite disappeared, the relations were in no wise improved, though the strife assumed a different form. Suspicion, distrust, hatred, were the sentiments cherished toward the manufacturers by the workmen; and arrogance, oppression, and an equally strong hatred were returned. War, or at least an illy-kept armistice, was the condition of the hostile camps. Strikes and lockouts were constantly occurring, and no judicious, honest effort was made to end them. In 1860, there were three strikes in one of the three branches into which the hosiery trade is divided, one lasting eleven weeks. It was during this strike that the board of arbitration and conciliation was formed. Though the strike was confined to one branch, it was soon discovered that it was supported by the workingmen in the other branches, and, in what they considered self-defense, it was proposed by the manufacturers to lockout the entire body of workingmen in all branches. Some of the manufacturers, Mr. Murdella among them, shrank from the misery and suffering, and perhaps crime, that would be the result. "Some of us thought," says Mr. Mundella (Trades Union's Commission, 1867, tenth report, page 74), "that we might devise some better means of settling the thing. I had heard of the conseils des

prud'hommes in France; and with one or two others I built up a scheme in my imagination of what I thought might be done to get a good understanding with our men, and regulate wages."

At a meeting of the manufacturers, a committee of three was appointed to invite the workmen to a conference, which they accepted. "We three," to quote Mr. Mundella again, "met perhaps a dozen leaders of the trades union; and we consulted with these men, told them that the present plan was a bad one, that it seemed to us that they took every advantage of us when we had a demand, and we took every advantage of them when trade was bad, and it was a system mutually predatory. And there is no doubt that it was so: we pressed down the price as low as we could, and they pressed up the price as high as they could. This often caused a strike in pressing it down, and a strike in getting it up; and these strikes were most ruinous and injurious to all parties, because, when we might have been supplying our customers, our machinery was idle, and we suggested whether we could not try some better scheme. Well, the men were very suspicious at first; indeed, it is impossible to describe to you how suspiciously we looked at each other.

Some of the manufacturers also deprecated our proceedings, and said that we were degrading them and humiliating them, and so on. However, we had some ideas of our own, and we went on with them; and we sketched out what we called a board of arbitration and conciliation."

The result of this action was the formation of "The Board of Arbitration and Conciliation in the Glove and Hosiery Trade," the first permanent board established. The rules adopted were very simple, and have worked so well in most particulars that they have hardly been amended since the day they were made. The object of the board is declared to be to arbitrate on any question of wages that may be referred to it, and to endeavor, by conciliatory means, to put an end to any disputes that may arise. The board consists of twenty-two members, half operatives and half manufacturers, elected for one year, each class electing its own representatives. The delegates have full powers, and the decisions of the board are considered binding upon all. There is provision for a committee of inquiry, to whom all differences must be referred before the board will act upon them. This committee has no power to make an award, acting only as conciliators. A month's notice is to be given to the secretaries before any change in the rate of wages will be considered. Regular meetings are held quarterly. The chairman, in the original constitution of the board, had a vote, and a casting vote as well in case of a tie. This was one of the weak points in the organization, and, as the chairman was an employer, trouble resulted. Mr. Mundella, who was the first chairman of the board, speaking of this, says: "I have a casting vote, and twice that casting vote has got us into trouble. And for the last four years it has been resolved that we would not vote at all. Even when a workingman was convinced, or a master convinced, he did not like acting against his own order, and in some instances we had secessions in consequence of that; so we said, 'Do not let us vote again, let us try if we can agree,' and we did agree."

In the Wolverhampton system this error was avoided. An independent umpire or referee was elected by the board, whose decision was final and binding in case of an equal vote by the board. The Nottingham board has also changed its rule, and the chairman no longer gives a casting vote, a referee appointed for the occasion being called in, in case of a failure to agree. I can not but regard the Wolverhampton system of a referee elected previous to a "dead-lock" as much the better plan. This is the course adopted in the lace trade of Nottingham.

The proceedings under these rules are very simple. When any difference arises between employers and employed, the secretaries endeavor to arrange it. In the event of their failure, it is brought before the committee of inquiry, who try to settle it; and, it being unable, it is then brought before the board. One of the invariable conditions of any arbitration is that work shall be continued pending the trial of the case; that is, that there shall be neither strike or lockout. The proceedings before the board are very informal. The members sit around a table, workingmen and employers interspersed. The discussion is without ceremony, and the difference is settled by endeavoring to arrive at the best arrangement possible under the circumstances.

The most serious questions brought before this board are those of wages, which, considering the nature of the trade, are very difficult of adjustment. On this point, and of the success that has attended its efforts to adjust wages, Mr. Mundella said in a speech at Bradford: "The articles manufactured in the hosiery trade are exceedingly numerous and varied in character. All work is paid for by the piece, at the rate of so much per dozen. From time immemorial these rates have been fixed by printed statements, and the battles formerly fought were as to whether masters or workmen should make these statements. Since the foundation of the board, all variations in prices, up or down, have been referred to it, and no statement is considered legitimate without the signatures of its members.

"It is very rarely that the price originally proposed by either masters or workmen is the price ultimately agreed to. Some alterations or concessions are generally made on both sides, and the price, once fixed, is considered mutually binding. In times of depression, when foreign competition has interfered with any branch, a fair reduction has been generally submitted to; and in times of prosperity when advances could fairly be given, they have been invariably conceded; but in order that the trade may not be taken by surprise, that manufacturers may finish their contracts in times of advance, and that no hasty decisions may be made against either party, we have a resolution on our minute-book, that a month's notice shall be given before any change of prices can be discussed. Owing to the variable character of the trade, small differences and disputes are constantly arising. Some extra work may be required in an article for which the workman may think a shilling would be proper compensation, while the manufacturer may think sixpence is sufficient.

"If the workmen of any branch conceive that they have grievances to complain of, in addition to the ordinary representatives of that branch, a delegation may attend the board, and lay the case fully before it. The first business at our meetings is invariably to receive delegations. They retire after having made their statements, and the board proceeds to deliberate. We have never met without settling at least half a dozen questions, some important and some trivial, which, if allowed to remain open, would produce irritation."

The benefits this board has conferred on the hosiery and glove trades are incalculable. A most friendly feeling has taken the place of hostility, and confidence and mutual respect exist where formerly all was suspicion and hatred. This was not the result of a day, nor was it accomplished without occasional lapses to the old state of things. The strifes of a century and a half are not so soon forgotten; but troubles in the board have been so infrequent and unimportant, that I am justified in saying that it is a complete success. Strikes and lockouts are unknown; contact has developed respect. The changed relations of employer and employed have been recognized: they have met about the same table as equals; and out of this has grown a condition of affairs that will make it impossible for the old conditions to return.

A large part of the credit of the success of this board, and of this change in the relations of the two classes, is due to the provision for regular meetings of the board. I do not hesitate to say that this is the most valuable feature of these boards. The great curse of industry, and the fruitful cause of difficulty, is a foolish obstinacy and a false pride. This arises in many cases from a want of knowledge and a lack of common courtesy in matters concerning both capital and labor, and in which both have an equal interest. This quarterly coming face to face, this meeting as equals—and in all questions that can come before these boards they are equals, and it is foolish to ignore this fact—and this discussing subjects of common interest as sensible men, seeking for the facts, and inclined to moderation and concession, if need be, have had a marvelous effect in removing this pride and obstinacy, and bringing about that respect and courtesy that must be at the basis of all friendly negotiations between capital and labor. These meetings have also given the men a knowledge of the conditions of trade and its necessities, which they could not get in any other way, and, from this knowledge, they have been led to moderation in demands or willingness to concede reductions that otherwise they would not have possessed. If the arbitration features were wholly removed from these boards, and they only retained this feature of quarterly meetings of recognized representatives of trades unions and of manufacturers' associations, their adoption generally in this country would be productive of incalculable benefit.

Labor Arbitration.

SPEECH

OF

HON. WILLIAM H. COLE,

OF MARYLAND,

IN THE HOUSE OF REPRESENTATIVES,

Friday, April 2, 1886,

On the bill (H. R. 7479) to provide for the speedy settlement of controversies and differences between common carriers engaged in interstate and Territorial transportation of property or passengers and their employés.

Mr. COLE said:

Mr. CHAIRMAN: The debate upon this simple yet valuable bill has taken a wide scope. I can not say I am surprised at this, for I am sure that no problem could be introduced here in the line of lifting some of the burden of labor that all these questions would not arise, especially that of its constitutionality. If it is a bill to charter or enlarge the power of a national bank, a power distinctly denied to Congress by the Federal convention that framed the Constitution, it would be granted without a word; if it was to enrich some already wealthy corporation, even at the expense of the public lands, the property of the people, or some larger monopoly by the conferring of some vast privilege, less would be said about it than about this bill, introduced for the purpose of pouring oil upon the disturbed labor elements in the great West.

We have been told again and again that the question is five hundred years old; that there will always be the privileged and the suffering classes of the community, and that legislation is no cure for the evils under which the laboring man toils for his living and his bread. To be thus informed does him no good. He is quite aware that there is but little in political economy new since the days of Adam Smith. He knows his burdens remain; he knows that, toil as he may, labor as he can, in the cold of winter or the heat of summer, he can no longer provide proper food and nourishment for his family. In his despair he organizes, and humbly and manfully he endeavors by every honest measure to improve his condition. Those belonging to the labor organizations thrive comparatively well, while the condition of those not thus protected grows worse and worse; all are bad enough. The condition of the working classes is as sad as it can be. Shall it remain so? In the name of a common humanity and by the sacred duty we owe the people of this free land, I appeal, Mr. Chairman, to this great parliament—shall it remain so?

Legislation has been mainly the cause of the depression existing throughout this country. For twenty-five years the principal legislation of Congress has been in favor of banks, railroads, and other corporations, all of which, as they have grown wealthy under the bounty of Congress, have become harder and harder in their dealing with their employés, until it really seems as if they were in a united conspiracy to reduce the wages of the workingman down to the very lowest cent compatible with his finding corn-meal and water enough to keep his body and soul together. Besides, all articles in his daily use have been highly taxed; and Congress one session, considering this question, after months of discussion, reduced—what?—it is astounding but a fact—reduced the tax on national banks to the amount of $60,000 per annum, and the ill-paid workman has gone on to this day bearing the unequal proportion of the Government's expenditures on his overburdened shoulders. Your legislation, besides, has driven from the seas the flag of our Republic, and as a consequence American seamen have disappeared with that flag. Other acts of Congress have added to the public distress until now—worst calamity that can befall a nation—the land is thronged with laborers crying for work which they can not get, and their families suffer for food and raiment. God help them all!

If many of the evils come from your legislation, is it not worth the effort for you to try and correct some of the great wrongs done in the past twenty-five years by the National Parliament in the interest of capital? Let us for once listen to the cry of labor; let us listen to the wail of the distressed. Would it not be a task worthy of us if we could brighten up our unhappy homes, restore life and light, plenty, happiness, and joy to the home of some industrious, worthy man now a prey to want and penury? Is it not a task worthy of your consid-

eration to endeavor to put an end to strikes, which fall so heavily on the innocent and the helpless and are the cause of so much of sorrow, violence, and bloodshed? One gifted gentleman has told you, you have your remedy in the governor, the militia, and then in the Army of the United States. This is his remedy for strikes. How deplorable! It is bad enough to unleash the hounds of war upon a common enemy, and war, refine it as you may, at the best is but cruelty. But, oh horror, to unloose these evils upon our own countrymen; to shoot them down as if they were wild beasts; to slay them—the men whose labor and industry have helped build up the wealth of your great country; the heads of families with wife and children depending upon them, what a fearful recourse, what a terrible remedy. I can not contemplate it, though it be constitutional, with anything except the utmost abhorrence. Let us avoid this. I find in the bill before us an act that will prevent the occurrence of such scenes, and therefore I support it eagerly and warmly—not alone in the interest of labor but in the name of humanity.

Let us be just to all, to capital as well as to labor; but let us first be humane. I would not interfere with the rights of capital in the slightest degree. I understand its importance in the world's economy, and I feel as much as any one the sacredness of property. Of the same opinion do I find the American workingman. Education is too well diffused here for any of the most dangerous forms of communistic errors being rife among our people. They are safe, reliable, and conservative. They know that the laws must be preserved, and that violence is no argument and is always to be lamented. All they ask for is a fair day's pay for a fair day's work. If capital has her rights, has not labor also this right? And is it not a blot on the boasted civilization of the nineteenth century that here and in Baltimore it has recently transpired that capital drove labor in harness seventeen hours every day? Is this just? Is it right? Does not every humane sentiment revolt against it? Is this a right of capital that any one is bound to respect? Is this not a case for legislation? Yes, Mr. Chairman, I have no hesitancy in answering yes for penal legislation.

While owing to your legislation the rich men have been growing richer the poor man has been growing poorer, and occasionally when his hard work will not buy sufficient bread, he asks for more; he is refused; he strikes, but even then the contest is unequal. Unable to save a penny, behindhand in rent and doctor's bills, every day brings more trouble to his poverty-laden home. One by one household goods and clothing disappear and the cupboard looks bare, and the wife in vain with her family brood seeks warmth at the hearth, the warmth from which has long departed. He holds out manfully; it is his only choice. He looks confidently to Heaven in his dire need for help, but it does not come; he struggles until despair seizes his brain or misery his heart, unfil at last his course is concluded perhaps at the cost of his own and the life of some one dearer than his own, and this in this land of liberty and of plenty, of corporations and millionaires, the home of Washington, the land of Vanderbilt and Gould, if I may be pardoned for using such names in juxtaposition in order to illustrate how far we have fallen from the days when the mechanic received good pay and his home was a happy and a prosperous one.

Still the time comes when the patient man will strike. What then? I have alluded to the one hideous remedy suggested during this debate—the bayonet and the ball. This must be repugnant to you all, and to none more so than the genial, generous nature that mentioned it. I have called your attention to one side of the evils of strikes, saying nothing of the interruption to travel or business, and the immense loss to capital regarding them, or the lesser evils to the sufferings entailed upon the striker and his family. Let us try another remedy for this—the bill now under discussion—which provides for a system of arbitration. It is contended that the bill is of no power. Every orator against it made use of the expression, "the laborer asked you for bread and in this bill you give him a stone." Whether this be so or not it is worthy of the trial. I am inclined to believe in arbitration. That grand and majestic organization whose peaceful banners can be seen gleaming on every hilltop in the country, upon the folds of which are inscribed the words "equal and exact justice to all men;" the Knights of Labor, who may be considered good judges on the question, have declared in favor of this principle; and its grand master, Powderly, has only this week proven himself a grand master indeed. I learn that in foreign countries, where arbitration has the force of legislative enactment, it is a great success in putting a stop to strikes. Even in bloody England, that England whose unjust government of Ireland has at last excited the combined execration and denunciation of the world, it is said, a law like this has been most effective. Some of the best writers on labor troubles advocate arbitration, and I earnestly hope that this Congress will pass this bill and throw the weight of its influence in the scales, so that they may again be evenly balanced between capital and labor hereafter, and so that each party to a dispute may not have to look for a remedy in a strike or lockout, two evils which I hope under the influence of this bill will disappear forever. Should this act not be found sufficient, a subsequent Congress can amend it so as to make it effective until at last we shall have a complete and perfect law upon the statute-books. Then there will be no need of your soldiers, every one of whom should at this instant be on the frontier, guarding the home of the settler from invasion and his family from the knife and torch of the savage.

As to the constitutionality of this law I would say, that if this was a question of chartering a bank or giving a few million of acres of the public domain to some bloated corporation not a word as to its legality would be raised. I have seen this House, with disgust, already pass two such bills. It has been always so from the first day of the Government until now. The Federal convention forbade Congress chartering national banks; but by the doctrine of implication the limits of the Constitution were so fixed that banks and corporations were organized in great numbers, whose influence, as at present, commanded legislation until every liberty was trampled on and there was a reign of terror in this country. In vain did the Democratic party protest against this state of affairs. The contest continued throughout three administrations before victory perched upon the banners of the people. It was during this terrible struggle that Benjamin Franklin, hearing the war spoken of as the war of independence, answered, No! the war of the revolution! Think of these huge corporations; the war of independence is yet to begin.

William Pitt, the worst enemy of America, exclaimed: See these huge corporations in America, their boasted liberties will soon be at an end. Lafayette, after his visit to this land, when he was received with gratitude by an entire people, remarked that he saw with great regret the growth of powerful corporations in America, which threatened the perpetuity if not the existence of the United States. Would they not repeat their language now? What would they think if they could view this scene and find a bill like this fought by the representatives of a free people through every step of its progress on the ground of its constitutionality, &c. Sir, if there is such a limit to the Constitution that it can be stretched one way to protect and encourage capital, but has no elasticity whatever whenever the rights of the people are involved, it is time for us to know it so that by an amendment it can be corrected and made to conform with what our brave fathers designed and what in this age justice and humanity demand.

This law, sir, is not unconstitutional. Understand me, I am a Democrat of the strictest sect of the constructionists, and I can not find anything opposed in letter or in spirit to that august instrument. It provides for voluntary arbitration, so that no law is possibly involved. If it was compulsory there might be some legal questions worth noticing arising. Those urged thus far against the bill seem to me to be mere pretext, nothing more, however honestly or eloquently they have been urged. As the bill contains the principle of arbitration, which I regard to be good and worthy of every trial, I shall vote for the measure before us in the hope that it may, if imperfect, lead to better and higher legislation. Some step should be taken in this direction. The national footsteps have too long followed in the train of capital; let them be trained into the paths the people tread, for is not this a government of the people?

I know how poor and feeble are my words and as I approach the conclusion I find myself longing that my lips may be touched by inspired fire in order that I might speak of things as they are to-day in this unhappy Republic. God has blessed us with all His bounties. We have bright skies, fertile fields and valleys, great rivers rolling onward to the sea bearing the commerce of a mighty nation on their breasts—everything indeed to make us prosperous and happy. Your legislation has scattered these bounties ungratefully, and from one end of the country to the other arises the cry of distress, the cry for work, for shelter for wife and child, for home and kin, and utter desolation marks the spot where only a short while ago stood a happy dwelling-place. Labor has been driven to the wall.

Was it not a great Republican orator who said that the workingman should live like his brother in Europe on corn-meal? Was it not another who exclaimed that the American workingmen indulged in luxuries that his European brother never dreamed of, and he should be educated down to the necessaries of life? Still he has been reduced past all this; he has work, but poorly paid, or he is without work or food. In the first case when he has work he finds his pay utterly insufficient for his work, and his life, though industrious, is one long scene of suffering and distress. He does not rush in his distress to the torch or to steel, but he turns his hopeful face to you. He stretches out his hand to you. The party that has been restored to power here he recognizes as the lifelong friend and ally of labor, and confidently he appeals to you to turn your stream of legislation his way for awhile, stop the work of aggrandizing corporations, and yield the hard-paid child of labor some relief. He is true and grateful. If you were in trouble to-morrow whose arms would carry the star-spangled banner of our country to victory except those of your laboring men? He is your support in peace and your protection and defense in war. He is at once the pride and ornament of the nation. He is worthy of your attention, and I sincerely hope you will recognize these facts not by any unjust exaction against capital, nor unfair concessions to labor, but that the laws that you enact in this free land of America shall evidence equal and exact justice to all men. That is all the laboring man desires. This is the only request he makes of this or any other Congress.

Col. Henry J. Hunt.

SPEECH

OF

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, March 26, 1886.

The House being in committee of the Whole on the Private Calendar, and having under consideration the bill (H. R. 37) to change the rank of an officer on the retired-list of the Army—

Mr. WHEELER said:

Mr. CHAIRMAN: The committee of which I have the honor to be a member fully agrees and concurs with all the gentlemen say who oppose this bill with regard to legislation of this character. Not only does this committee agree, but it has taken the lead of all the Military Committees of the last twenty years to carry out practically these views. The records of this House show that ninety bills which have for their object the restoration of officers or which seek to restore soldiers to a position in which they may draw money from the Government have been reported adversely by the Military Committee of the present Congress, and of the sweeping avalanche of bills which provide for the restoration of officers to the Army, and which have been referred to this committee, but two have been favorably considered.

A reference to the records of the Committee on Military Affairs of the House of Representatives during a period of ten years reveals the fact that at single sessions of each Congress from forty to ninety bills seeking to restore officers to the Army have been favorably reported.

The Military Committee of the last Congress made a favorable report on a single bill which, it is estimated, placed fifty thousand soldiers or officers in a position that enabled them to draw money from the Government, which they could not have drawn had not this bill been favorably reported and become a law. Already, under the provisions of that bill, nearly five thousand cases have been acted on by the War Department.

I make these statements to emphasize the contrast between the present committee and its predecessors in their ideas of economy, and to call attention to the aversion which the committee entertains to this class of legislation.

When the committee came to consider this bill it had before it the printed reports of other Congresses showing favorable action upon from forty to ninety cases in each Congress, and probably a hundred such cases were then pending, all being urged with the usual pertinacity. Each case was carefully examined, and, as I have already stated, but two of them were favorably considered.

The committee found that the case of General Hunt possessed special and peculiar merits which distinguished it from any similar bill ever brought before Congress.

The committee found that a bill identical in all respects with this had passed the Forty-eighth Congress on the 23d of May, 1884, by a vote of 127 for the bill and 58 votes against it. They also found that the same bill passed the Senate by a unanimous vote.

The committee had before it a letter signed by ten general officers, which I will read:

WASHINGTON, D. C., *January* 11, 1884.

The undersigned desire to express their gratification that a bill has been introduced into the House of Representatives placing Bvt. Maj. Gen. Henry J. Hunt on the retired-list with the rank of major-general. General Hunt was distinguished in the Mexican war; and in the late war his reputation as a gallant, efficient, and thorough soldier rose with his services, which were distinguished in the highest degree in almost every battle fought east of the Alleghanies. Forty-four years of such service richly and justly deserve recognition by Congress.

The undersigned heartily concur in this proposed action by Congress, and strongly recommend that this bill become a law.

S. V. BENÉT,
Brigadier-General, Chief of Ordnance.
D. B. SACKET,
Brigadier and Inspector General, U. S. A.
WM. B. ROCHESTER,
Paymaster-General, U. S. A.
R. MACFEELY,
Commissary-General of Subsistence, U. S. A.
S. B. HOLABIRD,
Quartermaster-General, U. S. A.
R. MURRAY,
Surgeon-General, U. S. A.
H. G. WRIGHT,
Chief of Engineers, Brigadier and Brevet Major-General.
W. B. HAZEN,
Chief Signal Officer.
D. G. SWAIM,
Judge-Advocate-General.
R. C. DRUM,
Adjutant-General.

The committee also had before it a statement of General Hunt's military service, which I will read:

He was graduated at the United States Military Academy and appointed second lieutenant Second Artillery July 1, 1839; promoted first lieutenant June 18, 1846; captain, September 28, 1852; major Fifth Artillery, May 14, 1861; lieutenant-colonel Third Artillery, August 1, 1863; colonel Fifth Artillery, April 4, 1869; colonel and additional aid-de-camp, September 28, 1861; and brigadier-general of volunteers, September 15, 1862, "for meritorious services."

He received the brevets of captain United States Army August 20, 1847, "for gallant and meritorious conduct in the battles of Contreras and Churubusco;" major United States Army, September 13, 1847, "for gallant and meritorious conduct in the battle of Chapultepec;" colonel United States Army, July 3, 1863, "for gallant and meritorious services in the battle of Gettysburg, Pa.;" brigadier-general United States Army, March 13, 1865, "for gallant and meritorious services during the siege of Petersburg, Va., and in the campaign terminating with the surrender of the insurgent army under General R. E. Lee;" major-general United States Army, March 13, 1865, "for gallant and meritorious services in the field during the war;" and major-general of volunteers, July 6, 1864, "for gallant and distinguished conduct in the battle of Gettysburg, and for faithful and highly meritorious services in the campaign from the Rapidan to Petersburg, Va." He served with his company at Detroit Mich., from August 30, 1839, to October 15, 1839; at Buffalo, N. Y., to September 21, 1840; at Madison Barracks, N. Y., to August 13, 1841; at Fort Adams, R. I., to August 29, 1843; at Fort Hamilton, N. Y., to October 3, 1844, and at Fort Columbus, N. Y., to August 15, 1845; conducting recruits to October 19, 1845; with company at Fort Adams, R. I., to June 1, 1846; with Light Battery *en route* to and in Texas, and in the war with Mexico (commanding battery from November 18, 1847, to June 24, 1849), to July 14, 1848; *en route* to and at Fort Columbus, N. Y., to October 11, 1848; and at Fort McHenry, Md., to July 1, 1849; on leave to December 15, 1849; with company at Fort Monroe, Va., to December 5, 1852, and at Fort Moultrie, S. C., to June 15, 1853; commanding Light Battery at Fort Smith, Ark., to August 16, 1853, and at Fort Washita, Ark., to November 24, 1853; on leave to March 30, 1854; commanding battery at Fort Washita, Ask., to November 14, 1856; member of board revising the system of light artillery tactics to September 30, 1857; commanding battery at Fort Leavenworth, Kans., to May 28, 1858; in the field on the expedition to Salt Lake, Utah, for the relief of Col. A. Sidney Johnston, to August 3, 1858, and at Fort Leavenworth, Kans., to August 31, 1858; member of board revising the system of light artillery tactics to March 22, 1860; commanding battery *en route* to, and at, Fort Brown, Tex., to December 13, 1860; on leave to January 2, 1861; commanding troops at Harper's Ferry, Va., to April 2, 1861; commanding battery at Fort Hamilton, N. Y., to April 6, 1861; *en route* to, and at, Fort Pickens, Fla., to June 27, 1861; *en route* to Washington, D. C., and in the field, Virginia, to July 26, 1861; chief of artillery, defenses of Washington south of the Potomac, to September 16, 1861; commanding artillery reserve, Army of the Potomac, at Washington, D. C., to March 10, 1862, and in the field, Virginia (Peninsula campaign), to August 21, 1862, being also employed as member of a board to fix number and caliber of guns at permanent fortifications and field batteries from November 26, 1861, to some time in March, 1862, and president of the board to report upon the various kinds of rifled cannon and ammunition therefor, and to examine projectiles to replace those in use in the Army of the Potomac from November 1, 1861, to some time in January, 1862; forwarding batteries from Acquia Creek to General Pope's army in Virginia from August 22, 1862, to some time in September, 1862; chief of artillery, Army of the Potomac, from September 5, 1862, to June 27, 1865 (assigned and on duty according to his brevet rank of major-general from December 29, 1864, to April 30, 1866); commanding artillery division, Department of Washington, to some time in August, 1865, and the district of the frontier at Fort Smith, Ark., from September 13, 1865, to March 24, 1866.

He was honorably mustered out as brigadier-general of volunteers April 30, 1866.

He was appointed president of the permanent artillery board, in reference to the interest and efficiency of the artillery arm, in session from April 2, 1866, to August 29, 1866; on permission to delay to January 18, 1867; member of board to determine the caliber and proportion of rifled guns for the armament of fortifications to February 27, 1867; commanding Fort Independence, Massachusetts, to April 29, 1867; Fort Sullivan, Maine, to February 5, 1869; Fort Jefferson, Florida, to April 5, 1869; regiment and post of Fort Adams, Rhode Island, from May 20, 1869, to July 28, 1870, being also in command of the Canadian frontier from Lake Ontario to Lake Champlain, with headquarters at Malone, N. Y., during the Fenian disturbances April and May, 1870; commanding the district of North Carolina, July 28 to September 13, 1870, and Fort Adams, Rhode Island, to July 4, 1871; member of board preparing a system of general regulations for the administration of the affairs of the Army to May 23, 1872; commanding post of Fort Adams, Rhode Island, to March 2, 1873; on leave to April 23, 1873; commanding Fort Adams, Rhode Island, to August 24, 1874; on court-martial duty at Fort Sanders, Wyoming, to September 26, 1874; commanding Fort Adams, Rhode Island, to November 30, 1875, and at Charleston S. C., to November 12, 1876; under orders of the Secretary of War to February 21, 1877; commanding post of Charleston, S. C., to April 12, 1877; on leave to June 20, 1877; commanding post of Charleston, S. C., to April 21, 1879, and Atlanta, Ga., to September 19, 1879; on court-martial duty in Kansas to December 3, 1879; commanding post of Atlanta, Ga., to December 21, 1880; on duty in Washington, D. C., to January 6, 1881, and commanding the Department of the South at Newport Barracks, Kentucky, according to his brevet rank of brigadier-general, to March 3, 1883, and as colonel to September 14, 1883, when he was retired from active service by operation of law under the provisions of section 1 of the act of Congress approved June 30, 1882.

In the war with Mexico he was attached to Duncan's battery, and was engaged in the siege of Vera Cruz, the battles of Cerro Gordo, Churubusco, Molino del Rey, storming of Chapultepec, assault on the Garita San Cosmé, and capture of the city of Mexico. In this campaign he was twice wounded. He commanded his battery at the battle of Bull Run, Virginia, July 21, 1861; commanded the artillery reserve in the Peninsula campaign of 1862. At the siege of Yorktown, the battles of Gaines's Mill, Garnett's farm, White Oak Swamp, Glendale, Turkey Bend, and Malvern Hill. As chief of artillery he commanded the artillery of the Army of the Potomac in the subsequent campaigns of that army, being engaged in the battles of South Mountain, Antietam, and Fredericksburg, in 1862; Chancellorsville, Gettysburg, Rappahannock Station, in 1863; Wilderness, Spottsylvania Court House, North Anna, Totopotomoy, Cold Harbor, assaults of Petersburg, June 15–18, 1864; siege of that place and its capture, and was present at the capitulation of the Army of Northern Virginia, at Appomattox, April 9, 1865. All the siege operations at Petersburg were placed under his general direction by the following orders:

It is a fact worthy of the attention of the House that General Hunt is still performing duty, and this record shows him to be three years older than the oldest officer now on duty. It is obvious, therefore, that if this bill should pass the few extra dollars which it awards him would not be paid him for a very long period.

As General McClellan has recently died I will ask the Clerk to read a letter which he wrote to Colonel Lyman, a member of the last Congress, after the passage of the bill in 1884.

The Clerk read as follows:

32 WASHINGTON SQUARE, *New York, May* 27, 1884.

MY DEAR COLONEL LYMAN: I have just read the debate upon the bill to place Col. H. J. Hunt on the retired-list as a major-general. I assigned Colonel [then

Major) Hunt to the command of the artillery reserve of the Army of the Potomac soon after its organization. He held that command until the arrival of the army on the James River, at the close of "the Seven Days," when, upon General Barry being relieved from duty, I appointed Hunt to the position of chief of artillery. Hunt was more than once applied for by other generals to be assigned to them as commander of a brigade of infantry, but my appreciation of the value of his services in the artillery was such that I steadfastly resisted all such applications.

His experience with field artillery in Mexico, his intimate knowledge of the theory and practice of artillery, his successful labors in improving the tactics of that arm, his remarkable administrative ability, his extraordinary power of handling masses of artillery in battle; in brief, his peculiar and entire fitness for the position of chief of artillery of a large army in the field rendered it my duty to call upon him to sacrifice his chances of promotion and his individual interests for the good of the country and the efficiency of the army under my command. Most cheerfully and without a murmur Hunt acceded to my demand.

I did my best, but in vain, to obtain for him rank and promotion in his own arm, and never permitted myself to doubt that in the end he would receive the just reward of his services and sacrifices. In the armies of the great military powers his command would have been regarded as the equivalent of an army corps, and he would have received the corresponding rank and reward. If Hunt had been permitted to take command of a brigade of infantry he would long before the close of the war have been in command of an army corps at least.

In view of the fact that he sacrified his chance of promotion to his sense of duty to his own arm of the service, and in deference to the urgent wishes of at least one of the commanders of the Army of the Potomac, I think the bill in question should be regarded as a simple act of justice and not as a special favor to him. I admit such bills should be closely scrutinized and passed only in extraordinary cases; but this is an extraordinary and exceptional case—in fact I know of none other just like it, and the more carefully it is examined the more clear will it be that it is a proper case for extraordinary action on the part of Congress.

Let me say one thing more. The position of chief of artillery was not a grade, nor was it a definite position or rank in that arm, it was simply a matter of detail or assignment, carrying with it vastly increased responsibilities and duties without any corresponding pay or privileges.

With the earnest hope that this measure of justice may be meted out to one who served his country so long, so gallantly, and so ably, and that this debt of gratitude so long due may be paid,

I am, sincerely, your friend,

GEO. B. McCLELLAN.

Col. THEODORE LYMAN,
United States House of Representatives,
Washington, D. C.

Mr. WHEELER. Mr. Chairman, in reply to the gentleman from Wisconsin [Mr. PRICE] I wish to say that no one would go farther than myself in advocating any character of legislation which would be a benefit to the laboring classes of our country. No one has shown a disposition to go farther in that line of legislation in this House than myself. But the gentleman seems to intimate that it might be better if all our Army, both officers and men, should be brought down to the same basis of absolute equality, and that all should be awarded the same compensation. That seems to be the argument of the gentleman from Wisconsin. He says he wants no distinctions. He wants no special honors bestowed upon those men, who, by their education and skill and gallantry, achieved high rank and great eminence.

While I would gladly concur with the gentleman from Wisconsin [Mr. PRICE] in his advocacy of equality among men, so far as that equality can be attained by elevating the soldier in the Army or the citizen in civil life, I must dissent from any theory of equality which is to be attained only by degrading some men so as to bring all down to the same level. I shall always assist my friend from Wisconsin in any effort to level up, but I shall always oppose with all the vigor I can command any effort to level down.

Twenty years ago laws were enacted to reorganize the Army, by which meritorious officers were given increased rank and emoluments, but as is always the case in general legislation it did not extend so far as to embrace all who had a just claim to its benefits. And for the last ten years efforts have been made by private bills to regulate and even up inequalities and injustices caused by general legislation.

Of all the numerous bills brought before the Committee on Military Affairs for the purpose of increasing the rank of meritorious officers during the war, this is the only one which has received the approbation of that committee. The evidence before the committee showed that General Hunt would have had the rank which this bill gives him had he not for commendable reasons declined promotion, because his commanding general insisted that he was more valuable and necessary in the position which he would have had to resign than he would be in other positions which would have given him higher rank. For this and other reasons the Committee on Military Affairs and many of the highest officers of the Army who have filed with it their recommendations, believed that this bill had merit which no other bill of similar character that has come before Congress has developed.

The gentlemen who profess to base their opposition to this bill upon the ground that it would cost the Government a few hundred dollars, voted, with practical unanimity, a few days since to increase the pensions of widows so as to give them at least $6,000,000 a year more than they would have received under the old law. This bill was so framed that, under its provisions, a woman who was not born until five years after the war closed might receive from the Government $12 a month, while a gallant Union soldier, who fought in every battle from Fort Sumter to Appomattox, and who may have been repeatedly wounded, would be receiving only $8 per month. The gentlemen, Mr. Chairman, who displayed so much ability and activity on that occasion in lecturing those of us who opposed this large increase of the pensions of one hundred thousand persons who never fought, and now oppose this bill to slightly increase the pension of a soldier who has served his country for fifty years, and whose military fame is part of our history, may be sincere in their zeal for economy, but I submit they appear to be slightly inconsistent.

As another proof of the disposition of the Military Committee of this House to carry out the economical views of those who oppose the bill now under consideration, I would respectfully call their attention to the bill reported by this committee, and now on the Calendar, which makes appropriations for the support of the Army. The committee considered and examined every item of expenditure with unusual care. Expenditures which could be avoided were omitted, but the committee believes that ample provision was made for everything necessary to maintain the unimpaired efficiency of the service.

The Military Academy bill is also on the Calendar, reported by this committee, which provides for all the needful expenditures of that excellent institution. And each of these bills is less than any bill of like character reported to this House by any Military Committee from 1865 down to the present time.

I believe that no other gentleman desires to discuss the bill, and shall therefore move that the committee rise and report it to the House.

Mr. REED, of Maine. Will the gentleman from Alabama permit me to interrupt him?

Mr. WHEELER. I will yield to the gentleman.

Mr. REED, of Maine. The object of this bill is to promote General Hunt for meritorious service, is it? Now what right has the legislative department of the Government to promote a man?

Mr. WHEELER. This bill is to authorize the President to select one of the distinguished colonels who during the war served as colonel and promote him to a certain rank in the Army without mentioning any man's name in it.

Mr. REED, of Maine. Then you abandon the Fitz-John Porter bill, do you?

Mr. WHEELER. This bill was not introduced by me, and I knew nothing about it until I was ordered by the committee to submit the report to the House.

Mr. REED, of Maine. Who did draw the bill? I want to know who it was.

Mr. WHEELER. I never inquired of anybody as to who drew the bill. I simply did my duty in compliance with the order of the committee to present the report to the House.

Mr. REED, of Maine. Do you know?

Mr. WHEELER. I do not.

Mr. REED, of Maine. I am sorry.

Mr. STEELE. Mr. FORNEY, of Alabama, drew it.

Mr. CUTCHEON. Will the gentleman from Alabama yield to me for a few moments?

Mr. WHEELER. How much time?

Mr. CUTCHEON. Ten or fifteen minutes.

Mr. WHEELER. I yield to the gentleman from Michigan.

Labor Arbitration.

SPEECH

OF

HON. WILLIAM J. STONE,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, March 31, 1886,

On the bill (H. R. 7479) to provide for the speedy settlement of controversies and differences between common carriers engaged in interstate and Territorial transportation of property or passengers, and their employés.

Mr. STONE, of Missouri, said:

Mr. CHAIRMAN: In the few moments I control I have not time to criticise the bill under consideration, though I regard it as rather a peculiar and original piece of legislation. If it is not obnoxious to constitutional objection, perhaps the only harm it can do is to subject the Government to some additional expense, and I indulge the hope, if it becomes a law, it may result in some good, though in what way I confess myself at this time unable to determine. If I vote for it at all I shall do so because it is a well-meaning effort, however futile—a step, however feeble, in the direction I wish to go.

I have been taught, and I believe, that all good government derives its just powers from the consent of the governed, and that those powers should be so administered as to promote, as far as possible, the welfare, the prosperity, and happiness of the whole people. The condition of the industrial and producing classes of this country is anything but satisfactory. Whatever may be the cause of this condition, or whatever may be the remedy for it, there can be no doubt of the fact that that unsatisfactory condition exists. The magnitude of the present revolt in the Southwest, its disastrous effect upon business, its menace

to the public peace, the widespread demoralization and disorder it is producing, compel a universal public attention to this event. But this outbreak, though on a larger scale than usual, is not exceptional or novel. It is but typical of similar disturbances, more or less extensive, constantly occurring in all sections of the country. To-day the "strikers" are the employés of a railroad corporation, yesterday they were the employés of a mining corporation; to-morrow they may be the employés of a manufacturing corporation. But however or wherever employed the fact remains that the relations existing between the great business corporations and their employés, who comprise a very large per cent. of the wage-workers of the country, are such as to be most heartily deplored, and to be the cause of grave concern to every man who has the welfare of his countrymen near to his heart. We can not, if we were so disposed, close our eyes to the portentous fact that there is positive, aggressive, and organized warfare between employers and employés, between labor and capital—the power of numbers upon one side and the power of wealth upon the other.

The workingmen are not prosperous; they are not contented; they are dissatisfied. As a rule, they are a thrifty, industrious, and frugal people, but they find the struggle they are engaged in to be a hard one for simple existence. They go on in this way toiling from day to day, while they see their employers amassing great fortunes out of the fruits of their industry. The profits of the joint enterprise of labor upon the one hand and capital upon the other are so divided as to give the laborer a scant existence and the capitalist a magnificent fortune with all its attendant advantages. This inequality and injustice very naturally provoke an inevitable and dangerous conflict between these two great factors in our commerce and civilization.

Capital is organized. Every corporation is organized capital. The Missouri Pacific, the Texas Pacific, and all the great railway systems are vast organizations of capital—compact, aggressive, exacting, arrogant, selfish organizations, easily managed and easily combined whenever and wherever combination will promote a common interest. On the other hand, the industrial and producing classes, inspired by the primal law of self-preservation, have made repeated efforts to combine and organize—efforts which have hitherto proved abortive. But now, at last, it seems that the wage-workers of the land have attained some measure of success in perfecting a tolerably well-equipped and fairly effective organization, known as the Knights of Labor. This organization, though it gives great hope and promise of success, is still a crude experiment. The very magnitude of the movement, the extent and scope of its purpose, makes it cumbersome and difficult of intelligent and systematic management and control. But it is going on strengthening its organization, eliminating its defects, and perfecting its discipline; and if it proves to be wise, conservative, patriotic, and just, avoiding excesses and abuses, it will become a power for the accomplishment of great good to the people of this country. I do not hesitate to say that every movement made by the producing and laboring classes of this country by which they seek, through legitimate and proper means, to protect and advance their interests has my hearty sympathy, and will receive my unqualified support. I have not time to say more than that, and that, perhaps, is enough to say.

I want to go a little farther. The very fact that this country is one great military camp of opposing forces—of organized capital and organized labor; the very fact of these oft-repeated tumultuous uprisings of the people in warlike protest against corporate greed and rapacity; the very fact that these corporations and their stockholders have grown enormously rich and the working people wretchedly poor, show that there is something radically wrong in our economic systems. Legislation can not be made a panacea for all the evils that afflict us. But if the powers of government can be so administered as to remove in whole or in part the cause or causes producing these unhappy industrial conditions, and thereby promote the prosperity and advance the interests of the great masses of the people—those who sow and reap and delve and dig and toil with brawny hands, in whatever sphere—it is the solemn duty of the Government to direct all its policies and exercise all its powers to the achievement of that end. It is not the hour for inflammatory appeal or incendiary assertion. It is an occasion demanding deliberation, serious thought, calm judgment, and self-sacrificing statesmanship.

Proudhon's communistic aphorism that "property is theft" should find no countenance in this country, and above all no advocate in this House. Mobocracy should find no crown in this country, and the despicable demagogue who rides as its courier should find his sycophant lips locked with the key of silence for want of an opportunity to fawn and flatter. But we should spare no effort to get at the cause of these disturbed and unhealthy conditions, and, as far as possible, apply a remedy.

I listened with great pleasure to the distinguished gentleman from Texas [Mr. REAGAN] on yesterday. I have great respect for him and for his judgment, for though he is a little old-fashioned in his notions, he is generally very close to the line of right. I believe with him that the remedy for these evils does not lie with such measures as the one now under consideration, however fruitful it may be of temporary good results. We must go back to the cause, and apply a more radical and permanent remedy. I believe with him there will be no cure—the evil and the disease will remain—until there is a thorough and radical change in our whole financial, commercial, and economic systems, so far as Congress and the Executive can effect such changes. But I go a step further than he did, or than the gentleman from Iowa [Mr. WEAVER]. The restoration to the people of their plundered public domain, the reform of the tariff, the reduction of taxation consequent upon such reform, and an economic administration of the Government, the emancipation of our financial affairs from the bondage of syndicates and the control of metropolitan banks, are all important and essential. These are reforms that must be exacted and enforced by the people of this country as preliminary to the permanent adjustment and settlement of these great industrial questions. And, as suggested by the able and distinguished gentleman from Maine [Mr. REED] and by others, public sentiment and the strong native common sense of the people must play an important part in the solution of these problems and in compelling and enforcing justice and fair-dealing on both sides in all conflicts between employers and employés. But I desire to go a little further than that. I can not deal with this whole labor question, but with only one phase of it—that phase which has been brought sharply and abruptly to our notice by the present disturbance in the Southwest. I mean that which relates to the great transcontinental lines of railroad—those mighty arteries of interior traffic and commerce.

In the first place, Mr. Chairman, I believe that such great corporations as these ought not to exist. They are a positive curse to our commerce and our people, to the farmers, stockmen, miners, and laborers of this country, and are a constant and defiant menace to good government. About nine-tenths of our producers, in whatever field they labor, are rarely able to save more than enough to pay their taxes and live, while the profits of their industry are extorted from them and absorbed by these railroad corporations and other combinations with which they are allied. Created by law and, in theory, subject to governmental control, they violate all law and defy all government. They have no respect for private right and but little for public authority. They "damn the people" and ignore the Government, both State and Federal, except when they have occasion to invoke its power to protect them from the results of their own iniquities. Unlimited in resources, commanding the best talent of the country, bold in design, and unscrupulous in method, they corrupt Legislatures, manipulate courts of justice, influence the high officials of government, and utilize for their good the very powers the people depend upon to control them. In violation of law they fix arbitrary rates of transportation without regard to distance or any consideration of justice, or without regard to any consideration except that which makes them practically the masters of the profits of labor and commerce. It is an incorporate despotism against which the people are rising from protest to open war. I say they ought to be destroyed, not in the spirit of communism, not by violence or riotous revolution, but by peaceable and lawful means.

It has been truthfully said that "free government establishes libraries, constructs and endows a magnificent school system, maintains sewerage, compels unwilling parents to vaccinate their children, regulates the size and structure of houses; in short, does a hundred things which a mere State police has no right to do, but which a great co-operative industrial organization may fitly and wisely do for itself." And which, it might be added, a free government can do for itself. The Government improves and owns its harbors and water ways. Great canals are constructed and in some measure operated by the States. Why not own, administer, and control these great interstate lines of commerce? Not many years ago we granted vast areas of the public lands to corporations and loaned them millions of bonds to aid them in constructing lines of railroad across the continent. To one corporation we made a magnificent gift of lands and a loan of thirty-three millions of bonds, for which we are still responsible, to induce and enable it to build a railroad from the Missouri to the Pacific Ocean, which cost the company only $50,000,000. In money and bonds we paid for building the Union Pacific Railroad, and yet we have not a dollar of interest in it. The Government should have some interest in that road. It should have actual control of its management.

Some years ago England contracted with certain capitalists to build a road in India, and guaranteed the capitalists 5 per cent. on their money. England is represented in the directory; she receives an income of 7 per cent., pays the capitalists the guaranteed 5 per cent., and the 2 per cent. profit has enabled her to abolish the income tax in India. Why can not we own and control our railroads? Why can not we own our telegraph lines? If we could the Government could realize a profit, justice be done employés, the robbery of the people would cease, and strikes be a thing of history. I have seen it stated on high authority that within four years after the British government had secured the ownership and control of the telegraph lines of Great Britain, the number of business offices had increased 30 per cent., the number of messages 50 per cent., the number of words sent 200 per cent.; the cost of sending had been reduced 40 per cent., and it had actually cost the government nothing, for it borrowed the money for the enterprise at 3 per cent., and the profits of the business were 4.3 per cent. If that can be done in England, it can be done in the United States.

The Government can own these railroads and telegraph lines, or own others just as good. We can be masters of the situation if we would.

I know what objections would be urged against any effort put forward with these ends in view. Aside from antagonizing the mighty influences of these corporations which would gather here, many honest and patriotic gentlemen would fear the involvements of such an experiment, and others would object on constitutional grounds (which I do not believe to exist), and others be frightened away by the vast increase of Federal power and patronage. But I believe all these objections can be overcome. It is a broad question. It requires time, investigation, thought, consultation, and comparison of views to mature it. At all events I am sure the public good requires that these great corporations should be controlled, and, I believe, destroyed. The resolution introduced by the able and experienced statesman from Pennsylvania [Mr. CURTIN] to appoint a commission of wise and conservative men to investigate this whole question, and report the results of their investigations and deliberations, ought to be adopted. I am in favor of it. It is the right way to proceed. These ephemeral, spasmodic attempts at reform and the solution of these great problems amount to nothing. We should proceed in some orderly and systematic way.

Mr. Chairman, what I have said is but a suggestion. But out of a multitude of suggestions propositions are evolved and formulated. If I had the time and opportunity I would like to go further into this question. It is the first question of the age. It is the one most strongly appealing to the philanthropy and statesmanship of the country. I shall hail with delight and welcome with open arms the man who can lead us out of this wilderness of danger and difficulty, whatever may be his politics or the land of his birth.

Silver Coinage.

SPEECH

OF

HON. WILLIAM H. NEECE,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, April 3, 1886.

The House having under consideration the bill (H. R. 5690) for the free coinage of silver, and for other purposes—

Mr. NEECE said:

Mr. SPEAKER: Could a vote have been taken on this bill to provide for the free coinage of silver during the first three weeks of this debate I would have contented myself with voting and should not have said a word, but as this question has undergone so many different phases I feel as though I could not content myself without giving my views.

I can see no reason for the suspension of the coinage of silver as suggested by the enemies of silver. If the argument is true that "silver will not circulate," then there is but one conclusion, and that is to suspend. There is no reason for this Government using $2,000,000 a month of the peoples' money to buy silver bullion and go to the expense of coining it if it will not circulate, if it is to lie idle in the Treasury. If that be true the question is settled in my mind. The suggestion of the Secretary of the Treasury should be adopted at once, for every month you are taking the peoples' money, wrung from them by taxation and invested in a dead commodity; it is simply taking from circulation that amount of money and placing it out of circulation. And I grant you that to the extent that this silver money coined under the Bland act lies idle in the Treasury, where it is not retained by the Government to meet some demand, it is an injury and a wrong to the tax-payer and to the prosperity of the country.

Is it true that silver will not circulate; that the people will not have it; that the people will pay more to return it into the Treasury than the Government can afford to pay to get it out, as has been stated on this floor during this debate? I say if that be true, suspension should follow at once.

Who is it that will not take this money? Has there been an honest effort to pay this money out on the debts and expenses of the Government? In order to determine this question I do not think it necessary to go back of the first bank that ever existed; and the conditions of the finances of other nations at various periods do not afford much light on the subject unless it is shown that the circumstances then were similar to the circumstances and conditions of things now. I think we will get more light on the subject by noticing more particularly the conditions and circumstances of the present day and of our own country and people. What are they? We are divided into two classes, debtor and creditor, tax-payers and tax-receivers. Our duty is to honestly legislate for both. We should have honest laws and honest government, and also—which is so often repeated by those who favor suspension—honest money. The law should protect each citizen, without favoring the one at the expense of the other.

Honest money is that kind which is created by Congress, the only power that has the right under our Constitution to make or create money. It should be of that character that will circulate as money among the people; it should meet the wants of commerce and trade; it should pay the debts of the Government and of the individual alike. There should not be two kinds of money unless they each fulfilled the same object in the sight of the law. No money should be created unless it is made a full legal tender for all debts, both public and private. When that is done I do not care whether it is made of gold, silver, or paper. I believe that in a Government like ours, with our people of so many different fancies, doing business in so many different ways, and who are so well adapted to doing business with the whole world, and our prosperity so greatly depending upon our trade, commerce, and intercourse with all the nations of the earth, we should foster and keep in circulation gold, silver, and greenbacks, to be made a full legal tender for debts both public and private.

I am in favor of encouraging business and trade with the whole world, and that kind of money that will best serve the ends of trade and commerce at home and abroad we should have in a sufficient quantity to meet the legitimate wants of the people.

I have stated that we should have in view a money that would invite the trade and commerce of the world. Now, let me refer to the money in use by the different nations of the earth. I will here add a table, taken from the United States Silver Commission report of 1877, showing the standard of money and population of the different countries, as follows:

SILVER-STANDARD COUNTRIES.

	Population.		Population.
Russia	76,000,000	Peru	3,400,000
Austria	36,000,000	China	400,000,000
Egypt	4,500,000	British India	237,144,456
Mexico	8,000,000		
Central America	2,600,000	Total	768,944,456
Ecuador	1,300,000		

DOUBLE-STANDARD COUNTRIES.

Greece	1,400,000	France	36,200,000
Roumania	4,000,000	Belgium	5,100,000
Colombia	2,900,000	Switzerland	2,700,000
Venezuela	1,600,000	Italy	26,800,000
Chili	1,900,000	Spain	16,400,000
Uruguay	400,000	United States	50,000,000
Paraguay	1,200,000		
Japan	33,000,000	Total	187,300,000
Holland	3,700,000		

GOLD-STANDARD COUNTRIES.

Great Britain	32,000,000	Germany	42,000,000
Canada, Cape of Good Hope, and Australian colonies	7,000,000	Norway	1,700,000
		Sweden	4,300,000

These estimates show that over 700,000,000 people have adopted silver as the sole standard of money, and over 180,000,000 have the double standard, gold and silver, thus constituting a total of more than 900,000,000 who use silver as a standard money. Only 92,800,000 have the single gold standard.

We are the producers of silver. Nearly one-half the silver of the world is produced in this country. Now, as I think I have shown that a great majority of the people of the world use silver as their money, and as our country produces both silver and gold in large quantities, would it not be unwise for us to adopt gold as the exclusive money of this country and thereby deprive the people of the great advantage of making money out of silver, which is so beneficial in our foreign trade and commerce? That policy simply means a contraction of our commercial relations with foreign countries.

The argument that England, Germany, and France have adopted gold as their money does not hold good with us. They have to purchase a large proportion of their bullion from abroad which they use in manufactures and the arts, as well as what they use in making their money, and therefore it is to their interest to do everything in their power to make that which they have to purchase abroad as cheap as possible, but insomuch as we have large quantities of both gold and silver bullion to sell to foreign countries, why is it not to our interest to keep it up?

Now, as the argument is made by those who favor suspension, "that silver will not circulate," let us examine the facts as to the circulation of silver with foreign countries and to the comparison of its circulation with gold. I hold the report of the Bureau of Statistics, issued by the Treasury Department of the United States, dated March 24, 1886, which report shows the import and export of gold and silver of the United States. It certainly makes a wonderful argument in favor of retaining silver. It shows that we have exported more silver than gold within the last twelve months, ending February 28, 1886, to the amount of $16,872,810.

The report also shows that during the same time we have exported more silver than has been imported to the amount of $15,598,629. Instead of silver accumulating on our hands in the twelve months last past, we have disposed of over $15,000,000 to foreign countries. But it also shows that foreign countries were getting the advantage of us in the money trade, for when you come to compare the exports and imports of both gold and silver during that period we are the loser of over $9,000,000.

How is it with gold during the same time? The same table shows that there was an excess of imports over exports of $5,803,612 in gold. It does not look much like gold was leaving this country. Here are the figures taken from the report for twelve months ending February 28, 1886:

GOLD.

Imports	$22,374,648
Exports	16,571,036
Net gain	5,803,612

SILVER.	
Exports	33,443,846
Imports	17,845,217
Net gain	15,598,629
Deduct excess of imports of gold	5,803,612
	9,795,017

Which shows an actual loss in our money exchange with foreign countries.

I will incorporate into my remarks that portion of said report that refers to gold and silver, and an examination of the report will show the excess of exports over imports of silver was greater during every month in the year 1884, except the month of October.

Imports and exports of gold and silver.

Months.	Exports.						Imports.					
	1880–'81.	1881–'82.	1882–'83.	1883–'84.	1884–'85.	1885–'86.	1880–'81.	1881–'82.	1882–'83.	1883–'84.	1884–'85,	1885–'86.
GOLD.												
March	$1,166,679	$160,786	$3,228,840	$284,180	$12,224,135	$833,082	$892,180	$7,169,774	$839,566	$3,244,859	$903,201	$1,756,597
April	89,192	88,593	2,342,449	2,050,215	21,047,525	1,157,995	166,432	15,351,980	551,301	2,311,351	3,010,429	782,533
May	106,497	614,498	13,289,404	935,106	2,711,864	1,393,975	123,580	1,315,777	204,626	232,015	1,626,531	564,735
June	541,361	616,548	5,572,251	597,149	132,105	741,992	648,272	322,155	257,142	398,246	2,074,599	229,763
July	61,886	112,361	4,754,422	100,870	159,106	1,329,570	244,330	750,852	162,202	429,754	2,283,103	588,412
August	90,909	178,648	1,637,212	132,323	175,619	359,317	9,145,390	5,427,196	424,878	1,977,354	2,758,300	733,907
September	80,914	148,166	229,849	196,345	77,350	151,568	18,846,998	10,660,641	1,135,799	2,233,272	1,477,672	2,986,116
October	169,871	176,941	104,616	132,530	192,533	139,120	11,256,058	8,295,490	3,835,410	4,261,430	2,451,402	1,323,811
November	220,759	97,124	52,725	403,368	443,529	438,460	9,535,391	3,059,202	2,241,787	4,363,818	8,192,904	5,096,358
December	158,574	108,084	175,699	436,969	220,557	1,789,974	16,506,026	2,728,173	2,146,952	1,003,212	2,231,799	5,620,191
January	30,415	102,219	34,000	153,766	1,446,326	2,581,674	4,739,902	1,134,040	1,309,639	525,413	2,074,923	1,705,841
February	271,379	7,231,393	745,715	3,411,157	1,632,828	5,654,309	577.478	468,825	291,011	422,304	1,887,965	986,384
Total twelve months	2,988,436	9,635,361	32,167,182	8,833,978	40,465,477	16,571,036	77,702,309	56,684,105	13,400,313	21,403,028	30,972,828	22,374,648
Total eight months ending Feb. 28, 29	1,084,707	9,154,936	7,734,238	4,967,328	4,350,848	12,443,992	75,871,573	32,524,419	11,547,678	15,216,557	23,358,068	19,3041,020
SILVER.												
March	842,463	1,368,460	1,526,982	2,957,474	2,094,803	3,118,839	1,223,252	805,078	620,754	1,522,888	1,203,674	1,835,906
April	327,191	2,033,497	1,059,284	1,698,676	2,051,295	3,137,555	975,594	854,650	1,054,904	1,023,674	1,006,275	1,939,024
May	1,599,034	1,779,428	1,772,760	1,825,582	1,980,974	2,159,849	998,657	560,641	611,516	798,709	1,066,695	637,244
June	713,634	1,368,147	1,326,902	1,908,243	1,788,330	3,616,347	784,583	640,388	816,681	699,549	1,051,352	903,813
July	658,773	1,486,165	1,655,981	1,292,189	2,860,658	3,216,044	800,780	670,452	419,970	1,117,227	1,205,018	2,836,017
August	520,490	1,035,198	1,657,334	2,508,543	2,499,155	2,851,297	704,348	582,759	722,464	1,513,784	1,248,157	2,134,711
September	484,930	1,046,637	1,188,460	2,730,872	3,330,042	2,605,843	822,895	733,727	512,235	1,206,206	1,004,445	707,965
October	2,654,055	1,388,447	607,927	2,204,266	2,573,652	2,524,823	1,120,006	432,911	276,343	1,455,549	2,743,136	1,925,229
November	1,006,149	1,198,183	925,739	1,960,118	1,849,901	2,110,153	1,046,382	655,152	1,727,471	1,495,904	1,365,245	1,224,581
December	1,863,975	1,255,301	1,861,946	2,776,624	3,871,526	3,203,683	1,280,677	751,494	1,171,061	1,438,989	1,571,490	1,531,079
January	1,377,366	2,181,611	2,517,889	2,314,395	2,228,627	2,906,917	950,822	534,340	894,802	1,163,235	1,093,070	1,022,741
February	1,726,445	1,522,129	1,424,194	2,349,017	2,507,482	1,992,496	957,571	630,646	986,076	876,055	1,004,079	1,146,907
Total twelve months	13,774,505	17,693,203	17,525,398	26,525,999	29,636,445	33,443,846	11,665,567	7,852,238	9,814,277	14,311,769	15,562,636	17,845,217
Total eight months ending Feb. 28, 29	10,292,183	11,143,671	11,839,470	18,136,024	21,721,043	21,411,256	7,683,481	4,991,481	6,710,422	10,266,949	11,234,640	12,529,230

Values of imports and exports of the United States for the month of February, 1886, and for the two, eight, and twelve months ending February 28, 1886.

Gold and silver coin and bullion.	For the month of February.	For the two months ending February 28.	For the eight months ending February 28.	For the twelve months ending February 28.
1886.				
Exports:				
Gold, domestic	$4,356,236	$6,098,053	$8,982,222	$11,883,446
Gold, foreign	1,298,073	2,137,930	3,461,770	4,687,590
Total	5,654,309	8,235,983	12,443,992	16,571,036
Silver, domestic	1,420,629	3,625,616	14,239,538	18,445,203
Silver, foreign	571,867	1,273,797	7,171,718	14,998,643
Total	1,992,496	4,899,413	21,411,256	33,443,846
Total exports	7,646,805	13,135,396	33,855,248	50,014,882
Imports:				
Gold	986,384	2,692,225	19,041,020	22,374,648
Silver	1,146,907	2,169,648	12,539,230	17,843,740
Total	2,133,291	4,861,873	31,570,250	40,218,388
Excess of exports over imports	5,513,514	8,273,523	2,284,998	9,796,494
1885.				
Exports:				
Gold, domestic	82,533	261,737	1,515,739	33,084,088
Gold, foreign	1,553,295	2,820,417	2,835,109	7,381,389
Total	1,635,828	3,082,154	4,350,848	40,465,477
Silver, domestic	1,927,712	3,551,481	13,807,626	18,429,270
Silver, foreign	579,770	1,184,628	7,913,417	11,207,175
Total	2,507,482	4,736,109	21,721,043	29,636,445
Total exports	4,143,310	7,818,263	26,071,891	70,101,922
Imports:				
Gold	1,887,965	3,962,888	23,358,068	30,972,828
Silver	1,004,079	2,097,149	11,234,640	15,562,636
Total	2,892,044	6,060,037	34,592,708	46,535,464
Excess of exports over imports	1,251,266	1,758,226		23,566,458
Excess of imports over exports			8,520,817	

Excess of imports or exports of gold and silver.

	Excess of gold.		Excess of silver.	
	Exports.	Imports.	Exports.	Imports.
1884.				
March	$11,320,934		$891,129	
April	18,037,096		1,045,020	
May	1,085,333		914,279	
June		$1,943,494	736,978	
July		2,123,997	1,655,640	
August		2,582,681	1,250,998	
September		1,400,322	2,325,597	
October		2,258,869		$169,484
November		7,749,375	484,656	
December		2,011,242	2,300,036	
1885.				
January				
February		628,597	1,135,557	
		252,137	1,503,403	
Total twelve months	9,492,649			
			14,073,809	
Total eight months ending February 28, 29		19,007,220	10,486,403	
1885.				
March		923,515	1,282,933	
April	375,462		1,198,531	
May	829,240		1,522,605	
June	512,229		2,712,534	
July	741,158		380,027	
August		374,590	716,586	
September		2,834,548	1,897,878	
October		1,184,691	599,594	
November		4,657,898	885,572	
December		3,830,233	1,672,604	
1886.				
January	875,833		1,884,176	
February	4,667,925		845,589	
Total twelve months		5,803,612	15,598,629	
Total eight months ending February 28, 29		6,597,028	8,882,026	

Since the late war there has been much legislation on the subject of money and the finances of our country. The coin act of 1869, the funding act of 1870, the single-standard gold act of 1873, the resumption act of 1875, and the Bland act of 1878. The people quietly submitted to the act of 1869, so called, to strengthen public credit. The funding act of 1870, which allowed the bondholder to exchange his bond which was payable in the lawful money of the country for one that was by its terms payable in coin. Gold and silver was the coin of this Gov-

ernment at the time, so understood by every intelligent citizen. Next came the act of 1873, demonetizing silver, leaving gold the only coin of the country. The people had been worn threadbare by the several acts which had increased their burdens by the million, but the act demonetizing silver was the straw that broke the camel's back.

A cry of indignation came from the people as soon as they learned what had been done. A people who heretofore had been submissive and had let these bondholders have their own way about matters became indignant. The question was discussed thoroughly by the people, and in obedience to the public demand the Bland act was passed in 1878 which restored to the silver dollar its legal-tender qualities and also provided for the coinage of at least two millions a month of standard silver dollars. This act was not passed without a struggle, for it had to be passed over the veto of the President.

The passage of that act meant more than the mere satisfaction of a public clamor; it was not done with any intent to deceive the people. It was passed to meet the emergency of the Government. First, to give life and to restore the legal-tender qualities of the silver dollar; secondly, to provide for the payment of the national debt according to the letter and the spirit of the contract, and to provide the people with the means to pay, and a circulating medium which could be kept in circulation. The same circumstances then existed as now exist. There was a shrinkage of the money in circulation at the date of the passage of the Bland act; property of all kinds had shrunk in value, and the taxpayer was demanding relief from the burdens which had been unjustly imposed upon him by the first three acts mentioned. Hon. JAMES BECK, in his able speech made in the Senate December 21, 1885, stated the situation so much better than I can, I quote from his speech:

In short, no set of men should be allowed to exercise privileges prohibited by law, nor have rights given to them in regard to the character and quality of the coin in which their debts shall be paid which are denied to all other equally meritorious creditors; and no set of men should ever have power to regulate or control, as their private interests may be affected, the currency or the business of the people. If that power is yielded or conceded to them, with legal-tender notes and silver certificates withdrawn and gold paid to them, and to them alone, for their interest and bonds, Congress would be powerless to resist any demands our bondholders and bankers might make. I know their power and appreciate the adroitness with which they can have their claims presented. Even the President in his message has been induced to say that up to the present time only about $50,000,000 of the silver dollars we have coined have found their way into circulation. He modified that statement by showing that a large amount of silver certificates were outstanding.

But the press of the country has taken up the first statement, leaving out all the qualifications, and parades it before the country as conclusive evidence that too much silver has been coined, and that all of it is an incumbrance except about $50,000,000. They utterly ignore the fact which the official reports show that at the close of the last fiscal year, June 30, 1885, out of a total coinage of $203,000,000, $140,000,000 in round numbers was in active circulation in the form of silver certificates, in addition to the coin in the hands of the people, of which certificates $44,660,000 was paid to the Government for customs dues during the last fiscal year at the port of New York alone—more than was paid in gold and gold certificates combined. Why is not the coin represented by these certificates as much in active circulation as if it was passed from hand to hand as often as the certificates are? I ask, is it fair to complain of the silver held in the Treasury as being expensive and useless, under such circumstances, and yet not utter one word of complaint in regard to over $137,000,000 of gold coin locked up, at the same time and in the same way, represented by the same sort of certificates, most of them in a far less useful form? If our officials would unlock the Treasury vaults and pay our interest-bearing debt with the money they are complaining of being overwhelmed with they would be doing their duty more satisfactorily than by the course they are now pursuing.

The President says:

"A special effort has been made by the Secretary of the Treasury to increase the amount of our silver coin in circulation."

Let him make one more effort and pay out the $60,000,000 or $75,000,000 he received for customs dues, and which he has no use for, in payment of interest and in the redemption of the bonds now redeemable, and the ordinary expenses of the Government will keep the vaults reasonably clear of all, not represented by certificates or bills, which the people have the right by law to demand on making a deposit of coin. No public creditor other than the bondholder has ever complained when payment is made to him in silver or silver certificates. All other creditors are entitled to the same consideration as the holders of our bonds. We as a tax-paying people are not interested in keeping our bonds 24 per cent. above par when we must soon buy them with our surplus revenues.

I may observe here that silver certificates are now and have always been a popular currency.

The Treasurer in his last report, page 24, says:

"The issue of silver certificates by Treasury officers in the South and West for gold coin deposited with the assistant treasurer at New York, under departmental circular of September 18, 1880, was discontinued in January last. The amount which had been issued in that manner to the date named was $80,730,500."

Silver, since the passage of the Bland act, has been in unfriendly hands. I say this because at the time of the passage of the Bland act it had to be passed over the veto of the President, and its execution had to be intrusted to the hand of the Executive who has used all the power he possessed to defeat the passage of the act, and ever since the execution of that law has been in the hands of those who, from some cause unknown to me, seem to think that silver should not be paid out on the debts of this Government if the bondholder objected to taking it, although by the very terms of the contract it is payable in silver, and silver money being the same in every particular as to legal standing and quantity of pure silver that existed in the silver dollar at the date of the execution of the bond.

Let us pay the national debt as fast as possible in the very kind of money called for by the bond. Let us use every dollar that it is safe to take out of the Treasury and pay at once as far as it will go. Silver should be placed upon an equality with gold; each should pay to the Government the cost of coining, and if coined for the bullion-owner it would be in circulation as soon as coined, for the owner would at least have to remove it from the mint, and then the Secretary of the Treasury would not be bothered in trying to circulate it, and if unfriendly he would have less opportunity to discriminate. We are told by the opponents of silver that it is fiat money; that 80 cents' worth of silver plus 20 cents of fiat will not make a dollar. I have been astonished at hearing this argument, for I undertake to say that it is the *fiat* that makes the dollar, and by the use of fiat you can as well make money out of paper not worth one cent for that which will make a dollar as you can by the use of 80 cents' worth of silver.

What is it that makes money? Is it not the law of Congress that authorizes its creation and declares what its functions shall be? That is derisively called fiat. You have not got a gold dollar but what is made so by the same fiat; otherwise it is nothing but bullion. The people that I have the honor to represent are tax-payers, and largely we are a people that borrow of Eastern capitalists a great deal of the money we use in business. We are a producing people; to pay our taxes and interest we naturally look to the products of the farms and our shops for our income. We look to the East over a stretch of fifteen hundred miles of railroad for a market, and if the silver mines of the Rocky Mountains are not stricken down we may gain some advantage of a market for our products in that direction.

When silver shall have a fair trial, and when we have discharged our obligations in the very same kind of money that we contracted to pay; if, after that, it will not circulate, or if there should be required an increase in the amount of the pure silver that should make a dollar, then it is time to consider that question. Until the people and the bondholders are placed on an equal footing I shall vote to retain the silver dollar as it is and to place it on an equality with gold.

We are told that to provide for the unlimited coinage of silver, we are doing injustice to the bondholder, although by the terms of the bond it is payable in silver. It certainly can not be seriously contended that the Government by the terms of the bond was deprived of the means to procure the commodity the article that it agreed to pay in the future. If the Government had possessed the coin at the time of making the bond there would have been no necessity for borrowing or for extending her bonds. The very fact that the Government promised to pay in the future implied that it would make the money to pay with from any of the honorable sources known to the powers of a government.

The friends of the single-money standard seem to think that the power of the Government to coin money ought not to be exercised only to declare the bullion value of the metal that money is made of, and as the bullion value shall fluctuate in the market, particularly when the value declines, we should increase the amount in each dollar of gold or silver. I am in favor of gold as one of the kinds of money that this Government should maintain and to be recognized as a part of the coin that we should have in circulation, but I do insist that nothing should be done by legislation to make it more or less valuable than any other money made by this Government.

While I recognize gold as valuable to our country and people, yet we can not deny the fact that it is and always has been timid. In times of war or depression of business it always hides until the danger is over; it is the money of the coward. During the late war the Government had to give to its owner two dollars of the Government's money for one dollar in gold it got of its holders, and then to keep from being called dishonest and to strengthen public credit, so called, the Government had to take up the bonds, which were payable in lawful money, purchased with greenbacks, which were purchased with gold two for one and a new bond given payable in coin. The champions of gold forget that it never did a patriotic act, either in war or peace; during this country's darkest days it did not come forth to pay the soldier, and it did not make its appearance on Black Friday for the relief of the people or the Government, a day so well remembered by every man in this country. Gold is simply good in its place; no more, no less; it answers a good purpose as a part of our circulating medium.

Labor Arbitration.

SPEECH

OF

HON. MARTIN A. HAYNES,

OF NEW HAMPSHIRE.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 1, 1886,

On the bill (H. R. 7479) to provide for the speedy settlement of controversies and differences between common carriers engaged in interstate and Territorial transportation of property and their employés.

Mr. HAYNES said:

Mr. CHAIRMAN: This bill, for one that has "nothing in it," has certainly had a most singular reception. It could hardly have met with a more determined opposition had it contained every element of danger to our social structure and our free institutions. Decried as a weak-

ling, powerless for good or for evil, still it has had turned upon it the heaviest guns of parliamentary opposition and obstruction. I presume if the Committee on Labor had come in here with a simple resolution that "the laborer is worthy of his hire" we should have had long and able arguments to convince us of the unconstitutionality of the proposition, an unlimited crop of amendments, some designed to kill and some to perfect, and various substitutes embodying the plans and specifications of individual members.

The remark has been made in my presence that this bill was hurried in here without proper consideration by the Committee on Labor. I desire to say, as a member of that committee, that the subject to which it relates was most thoroughly discussed at several sessions, and some of them protracted ones; and with all due respect would suggest that a like industry and zeal in some others might dig important bills from the pigeon-holes where they seem to be sleeping the sleep that knows no waking, and from which it is doubtful if they ever emerge, even to die upon the Calendar of the House.

This bill is in one sense an emergency bill. If there lies in it as reported, or as it may be amended, any healing power or any influence toward settling the difficulties which for weeks have threatened the peace of entire States, delay on our part is criminal. It was this conviction that impelled the Labor Committee to act promptly, and having arrived at a conclusion to waive the snail-like dignity of inaction, which seems to be one of our unwritten laws, and come directly to the House with its report.

It may be that its findings will not meet your approval. It may be that its judgment was faulty. Upon that you can pass your judgment. But if there is any virtue in this proposition, if by any legislative action we can furnish a safety-valve for the immediate dangers of the situation, it is our duty to act, and to act promptly. Nero fiddled while Rome was burning. The Forty-eighth Congress fiddled while Greely and his poor fellows were starving and dying upon the bleak rocks of Cape Sabine. Human lives are too precious to be sacrificed upon the altar of Congressional procrastination, and if the Forty-ninth Congress fiddles away its opportunity to pour oil on the troubled waters of the West, the fault will not lie at the door of the Committee on Labor. They have wasted no time in presenting this bill, the best solution they have been able to formulate.

The general appreciation of the gravity of the situation was indicated by the number of bills introduced here to meet it. This bill of the committee was evolved out of them all by a system of pruning and trimming rather than by building up and padding. No man can claim it as "my bill."

In all the assaults which have been made upon it, no man has accused it of being a vicious bill. On the contrary, the pith of all adverse criticism appears to be that it is like the old woman's bread-pill, which could not do any harm even if it did not do any good. Then what harm in trying it? It would be well if we could throw around all the measures which are brought here a like charm of "innocuous desuetude."

There are but three roads out of such difficulties as have arisen in several States, and we turn instinctively to the one that offers peace and harmony without calling for sacrifice of self-respect by either party. I am frank to acknowledge my conviction that if, in the present troubles, the railroad managers had shown the same disposition and willingness to submit to arbitration that has been displayed by the Knights of Labor, the difficulties might long ago have been adjudicated. Corporations in New York and Boston, in my own State, and elsewhere within the past few weeks have handled strikes much more judiciously than the Gould system has handled this one.

Settlements have been made with credit to both parties and to their mutual satisfaction. The corporations, recognizing the representatives of their employés, sat down with them like men to talk over matters and come to an understanding. It has not proved so difficult a matter to arrange when set about in the right temper. And I like this spirit better than that which demands of one party an "unconditional surrender," which spurns advances toward arbitration or plays with them as the cat plays with the mouse; which doggedly says; "No, I won't talk with you nor treat with you! I will lay down the terms, and you will come to them!"

The culmination of such troubles, if peaceable, must be either a backdown by one party or a settlement by arbitration. Which would we encourage? Not the former, certainly. That is no good settlement which leaves with one party the sting of defeat and self-abasement. The old wrong rankles, and the old wound will break out afresh. But the spirit of the age recognizes arbitration as the very angel of concord. It settles. There can be no wiser statesmanship than that which opens every avenue and offers every facility for the settlement of disputes by arbitration. The Knights of Labor announce this as a cardinal principle in the solution of labor troubles. When American labor comes in this spirit, capital may well make haste to meet it half way. Thus may we secure immunity from strikes and their attendant evils, make capital secure, labor contented, and both prosperous.

This bill looks in that direction. It goes, perhaps, as far as it is possible, or at least practicable, for Congress to go. It carries no power to enforce a submission of differences; it furnishes no authority to enforce the decrees which might be rendered under it. There are difficulties in the way of such enforcement which present themselves upon the most cursory examination.

But what it does do is this: It opens another door for arbitration, and gives the great prestige of the Government's sanction in recognition of this just principle. It provides the machinery and invites both parties to use it. What its practical effects may be time must determine. Upon its possibilities we are justified in passing this bill. It may be that it will never be invoked. I believe it will, however, and that when invoked we can depend upon the mighty power of the public opinion to make it effective.

Its operations must be limited. It can reach only a portion of the cases constantly arising. It may be that it is only a surface remedy at the best. But that consideration should not deter us from applying it. It may be that the foundation of our labor troubles lies deeper than can be fully remedied by mere arbitration of disputes between parties. If so, we should study what national policy and what national legislation will keep us from the old country conditions toward which we seem to be drifting. When that question is solved the labor problem will no longer vex us

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Labor Arbitration.

SPEECH

OF

HON. J. RANDOLPH TUCKER,

OF VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, March 31, 1886,

On the bill (H. R. 7479) to provide for the speedy settlement of differences between common carriers engaged in interstate and Territorial transportation of property or passengers and their employés.

Mr. TUCKER said:

Mr. CHAIRMAN: The bill which has been perfected by the Committee of the Whole is liable to great and serious objections, and as a new departure in the legislation of this Government, and a dangerous infraction of the fundamental principles of the Constitution, it calls for a protest from every one who reverences the ancient policy of the Government guided by a strict adherence to the Constitution.

It is said that the bill is harmless. I confess it does not go far enough, if constitutional; but much too far, if it takes one step beyond the limits fixed by the Constitution. The truth is, that it may be said of this curious piece of proposed legislation that wherein it is not unconstitutional it is useless, and wherein it might possibly be useful it is unconstitutional.

It is unfashionable, I know, to stickle for the Constitution. It is an idea too prevalent that we have outgrown the written Constitution of our fathers, and that the will of the people expressed through the Government is the Constitution of our future. It is sometimes said that the British constitution has grown—why should not ours? The answer is obvious. The constitutional monarchy of England has been evolved by centuries of popular struggle with inherited prerogative; and Liberty has at last emerged from the precedents of its victories through the centuries, and has erected the trophies of its triumphs on every battlefield as at once the monuments and the muniments of its organized power. The freedom of England springs from its institutions, as organized forces in the mechanism of the government itself—and we have but embodied in our written Constitution the institutions of freedom our fathers brought with them to the New World—British liberty is institutional; American liberty is constitutional.

To violate the Constitution by usurping power is more disastrous to the public good than all the possible good the usurpation can promise to the people. When labor or capital, when private or personal interests seek to obtain a benefit through unconstitutional methods, they obtain it at the expense of the surest guaranty that any can have for right and justice by destroying the integrity of the Constitution as the safeguard of all.

Let me then examine this bill and test its validity. It proposes to settle differences or controversies arising between certain parties. The tribunal (as it is called in section 5) is a board of arbitration (as it is called in sections 1 and 2) composed of an arbitrator selected by each party, and a third selected by the two, with the powers of commissioners of the circuit courts of the United States as to subpœnaing and compelling attendance of witnesses, swearing them, preserving order at its sittings, and requiring the production of papers and writings. By referring to the Revised Statutes, we find that these commissioners are appointed by the circuit courts, and are clothed with quasi-judicial functions, with powers of admitting to bail (section 1014), holding to security for the peace (section 727), &c.

I do not mean to say that under the proper construction of this bill these arbitrators would have any power of the commissioners of courts,

except as to the subjects expressly named in the act. I cite these sections only to show the judicial nature of the powers. But this bill does authorize the board to compel the attendance of witnesses, as commissioners may do; and commissioners may subject witnesses to like penalty for refusal to attend, as courts may do. (Revised Statutes, sections 875, 4071–4074.) And, by section 725, the courts have full power to fine and imprison for contempt, disorder, and disobedience of any command.

Does not this bill, then, under the power to compel attendance and preserve order, give to this board the power to punish parties, witnesses, and officers by fine and imprisonment? How can this board require the production of books and papers without power to punish for disobedience? Without such power the bill is useless; with such power it is worse—it is illegal and unconstitutional.

It is true the bill reported by the committee contained the express power to the board of "punishing for contempt," and the Committee of the Whole has stricken out these words. But the bill, as it is, may well be construed to give this extraordinary power. Without it the investigation will be partial and ineffectual; but with such a power the bill is unconstitutional. This is clear for this reason: If these are private arbitrators, then no such power can be conferred on them; if public, then, as I shall show, they must be appointed according to the Constitution, and the powers conferred are unconstitutional.

These preliminary considerations lead me to look to the character of this arbitration and the nature of this board. The arbitration is as to subject-matter—a determination of "controversies or difficulties." Is this a legislative or judicial function? If it is a legislative function, then it belongs to Congress, for the Constitution provides that—

> All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives. (Constitution of the United States, article 1, section 1.)

All the legislative powers vested in Congress are granted by the Constitution; *e converso*, the powers not delegated to the United States by the Constitution are reserved. (Constitution of the United States, tenth amendment.) These two clauses shut Congress out from all legislative power not granted, and shut Congress in to all legislative power granted by the Consttution.

Look to another clause:

> The judicial power of the United States shall be vested in one Supreme Court, and in such inferior courts as the Congress may from time to time ordain and establish. (Constitution of the United States, article 3, section 1.)

Mark the words. The judicial power—the deciding function as to controversies and cases—is vested in the courts. No judicial power of the United States is vested in Congress, or the President, or anywhere else than in these courts.

This and similar language as to the executive power builds walls of impenetrable partition between the three departments and fix great gulfs, through and over which no man filling either can pass to the other. These stringent provisions realize Montesquieu's maxim that liberty lives in the separation of these functions, and despotism is born of their union.

But it may be asked, has Congress no power to create courts and give them jurisdiction? I reply it has power "to constitute tribunals inferior to the Supreme Court." (Constitution United States, article 1, section 8, clause 9.) And it has power, by implication from the language of the judicial clause just cited, "from time to time to ordain and establish inferior courts." And it has the power to fix the number of judges of Supreme Court, the number of districts and circuits, &c., and to declare what jurisdiction shall be exercised by the inferior courts. This is vested in Congress as a part of its legislative power by the comprehensive clause that Congress shall have power "to make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or office thereof." (Constitution of the United States, article 1, section 8, chapter 17.)

As it is necessary and proper for some authority to define the portion of jurisdiction which each of these courts shall exercise, the Constitution reposes that as a law power in Congress.

But we must be careful to note that Congress can not create judicial power, for all the judicial power of the United States is created by the Constitution. Nor can Congress grant any, for it has none to give, and can hold none. If asked, What, then, is the process by which jurisdictional power is vested in the courts? I answer, The Constitution fills the reservoir of judicial power. Congress creates legislative conduits from this only source to the inferior courts which Congress constitutes as receptacles for this power, and from which the order and peace and well-being of society are secured by the dispensation of justice under the law of the land. This absolute separation of the legislature from the judiciary is thus assured as essential to liberty and good government, and it is our duty to prevent all attempts to break down the partition wall between them.

Let me now call attention to the character of the functions vested in the board of arbitration by the bill before us. The Congress makes law, which is a rule, fixed and general, to govern the actions of those subject to it. The judiciary declares the law in its application to the individuals of society. The one makes, the other applies the law. The one prescribes the rule, the other adjudges and arbitrates upon the relations of parties according to the rule. The rights of men are determined by the courts under and in pursuance of law when controversies and differences arise between them.

Can Congress determine and decide upon such controversies and differences? Clearly not; for that is judicial power. It seems to me to be of the essence of the judicial power to decide upon a controversy or difference, involving conflicting claims of right, between man and man. To prescribe or define the rights arising from contract or relations between parties belongs to legislation. To decide upon a conflict of claim under this legislation between parties belongs to the judiciary.

Now, as Congress can not decide upon the controversy or difference when it arises, it can not create a legislative tribunal to do so. *Non dat qui non habet.* Hence, I propound the dilemma: this bill, in establishing this board of arbitration, either creates a legislative or a judicial tribunal. As Congress can not create a legislative tribunal to act for it in such cases, because this would be to exercise judicial functions, then it follows that this board, if constitutional, must be constituted as a quasi judicial tribunal—as a substitute for a court. Arbitration of a controversy between parties is a substitute for public judicial trial, and award is a substitute for a public judgment. If Congress can, therefore, constitute this board of arbitration, it can constitute a court for which the board is a substitute, and give it power to pronounce a judgment for which the award of the board is a substitute. If the Constitution gives Congress power to establish a board of voluntary arbitration, it can make it compulsory, or authorize either party to implead the other before an inferior court, established by it under the Constitution.

It seems to me perfectly clear, therefore, that the power proposed in this bill is in its essence a judicial power, and if Congress can pass this bill it could vest in a circuit or district court jurisdiction to decide upon the controversies or differences referred to in the bill.

The contention then comes up in this shape: If the function vested in this board is judicial and can be vested in a court by Congress with equal right, as in the board, then let us answer this inquiry: Are the controversies and differences mentioned in this bill such as, under the judicial power conferred by the Constitution, can be exercised by a court of the United States? Could such a court, under the Constitution, try such controversies or differences?

There is a twofold jurisdiction created for the judiciary by the Constitution:

First. Cases arising out of their subject-matter, no matter who are the parties.

Second. Cases arising out of the character of the parties, no matter what the subject-matter.

Test the controversies and differences named in this bill under these two grounds of jurisdiction:

First. Does the subject-matter of these controversies give constitutional jurisdiction to a Federal court?

The subject-matter which gives jurisdiction to the Federal courts must be either a case arising under the Constitution, a law of Congress, or a treaty; or a case of admiralty or maritime jurisdiction; or a case of parties claiming lands under grants of different States. (Constitution United States, Article III, section 2.)

I need hardly say the controversy named in the bill does not arise under the "general-welfare" clause, for this clause does not grant a new power, but defines the purpose of the revenue power. Indeed, it is not claimed to be a subject-matter relating to any of those just named, except it comes under the power of Congress to regulate commerce among the States. But it must be noted, first, that no law of Congress has regulated commerce in respect to any such controversies. It does not arise, therefore, under any law of Congress.

But does the controversy arise under interstate commerce as granted by the Constitution to Congress? Not at all. The controversy is described as arising between the railroad companies engaged in interstate commerce and their employés, and to be such as may hinder, impede, obstruct, interrupt, or affect such transportation, &c.

The power to regulate commerce involves the power to regulate transportation and intercourse between States. It regulates the act of transportation as an act of commerce, but it can not regulate the subject of commerce; it may regulate the mode of transporting wheat, but can not regulate the production of wheat or the wheat itself. The articles or products which commerce moves is subject to State police power; the transportation is commerce, and is subject to the power of Congress.

The acts of parties in transporting from State to State may be regulated by Congress so as not to hinder commerce; but the contracts of such parties, *inter se*—their relations as employers and employés—are not subject to Congressional power, but to State authority. Because the Baltimore and Ohio Railroad Company carries flour and passengers from Maryland to Missouri, which is interstate commerce, it does not follow that the contract of employment in Baltimore between the company and its ticket agent there is a subject for regulation by Congress, or for the jurisdiction of the Federal courts. The contract and relation between the company and its employé are subjects for State regulation and for the jurisdiction of State courts. The conduct of company

and employés in the act of transportation may be under the power of Congress; but whether the contract is valid—what it means, whether the wages are fair, or the hours of labor are just, or the company or its officers are harsh, cruel, or unjust, or discharge an employé against right—these are questions collateral to the commerce and transportation, and which can not under the power to regulate commerce be controlled by Congress or be adjudicated by Federal courts.

The controversies described in this bill, between parties who are engaged in the business of interstate commerce, are personal and are collateral to the business, and the jurisdiction as to them must therefore be determined by the character of the parties and not by the business done under the contracts and relations of such parties. Any other construction of this clause of the Constitution would make the jurisdiction of the Federal courts unlimited instead of being circumscribed by well-defined grants of authority. The relations between the company and every employé in the depot in Baltimore would, by such an interpretation, be withdrawn from State courts to swell the already too much swollen dockets of the Federal courts.

But if the subject-matter of commerce does not give this jurisdiction, how is it as to parties? The Constitution gives no jurisdiction as to private persons to the Federal courts, except when the case arises between citizens of different States.

This bill makes no such distinction; it applies to all controversies between the company and its employés. The company is a citizen of the State which chartered it. Between it and the employés in that State the Federal courts have no jurisdiction. If they are of different States, the Federal courts are open and this law is unnecessary.

But what is meant by controversies? The debate shows, and the events of our day show, that they are controversies which do not take the form of suits or cases in law or equity, but controversies which concern the general policy of the company, relating not to matters of rights under contracts, but to the contracts themselves. Can Congress or can courts make contracts between parties without or against their mutual consent? If a strike occurs because a company discharge one man, or he violates the order of the company, shall the Federal court arraign the company or the man, and administer lessons of proper conduct, and enforce them? Then will the judicial power become despotic and supreme over laborers and company, and freemen become slaves of the courts and the judges.

I come back to my original proposition. As far as these controversies may be subjects of judicial cognizance the bill is without the sanction of and against the Constitution in giving jurisdiction to the Federal courts. In so far as they are controversies not of judicial cognizance they are outside of the judicial power, nor has Congress any control over them, but only the States. In any and every aspect the bill is extra-constitutional.

But I take another ground. The arbitrators are selected by private will, and yet are, as I have shown, clothed with quasi-judicial functions of commissioners of the courts. These commissioners exercise the powers of public officers because appointed by the courts. These arbitrators are really officers of the law, clothed with its powers, and very dangerous ones, and yet are not appointed as the Constitution prescribes, by the President and Senate, or by the President alone, or by a head of Department, or by a court. To whom are they responsible for their official misuse or abuse of power? They are peripatetic functionaries, paid out of the Treasury, exercising judicial functions, and yet are appointed without legal sanction and may do as they please, without the power of any department of Government to check or control them. It can not be said that this is a private arbitration. It is a public board—an official board.

In the first section, twenty-first and twenty-second and twenty-third lines, this bill declares that these persons "shall be and are hereby created and constituted a board of arbitration, with the duties, powers, and privileges hereinafter set forth." Constituted and created a Government board, with the powers of commissioners of courts, and yet holding office by private appointment and without official responsibility to the Government which created and pays them!

And, after all, what are they to do? Receive their pay, spend $1,000 a case, lord it over the parties before it, and render an opinion without sanction and a judgment without execution? "Oh, most lame and impotent conclusion!" The board shall have a clerk—like those of a court—a stenographer, and may command the services of marshals—all to receive fees for their services, and all these private parties to be litigants at the public expense.

I venture to say whatever may be said of its other characteristics that this bill is entirely original. As it has no precedent, let it be none. Like Melchisedec without parentage, let it die without progeny!

I am willing to concede that arbitration, the peaceful solution of these troubles, is much to be desired, and is a beneficent step in the right direction. I do not oppose the principle, but the means by which it is to be made operative. Let the States take charge of these arbitrations. This Government has now more to do than it does or can do well. To amplify its authority is to paralyze its efficiency. Within its constitutional limits it has ample field for laudable and useful ambition. By reaching out to do more, it fails to do what its duty requires, and loads its calendars with the unfinished business of the people. It seeks to do what it ought not to do, and thus fails to do what it ought to do.

But I deprecate this measure because it is the beginning of an unseen ending. If this usurped power is to furnish a precedent, all the labor troubles of railroads and the fields, on the sea and the land, will be dealt with here—dealt with inefficiently and, therefore, with injustice to the parties.

I believe the courts, State and Federal, are or may be clothed with ample power to settle these strifes. We can prevent them by tinkering less with industries, and currency, and the relations of men, all of which move under the impulse of laws too subtle and inscrutable for human intervention to do any good, or to do anything but harm by its unwisdom.

The body-politic is a much-to-be-pitied patient. The doctors have brought him to a low state, and would kill him but for the inherent and irrepressible vitality of the young giant Republic, which only asks to be free in order to be great and vigorous and powerful. "Throw physic to the dogs." Let the country be rid of your panaceas and your quacks. Let labor get its fair share of profits by being partner in the business which makes them; lessen taxation, and you will enforce economy and lighten burdens; quit your legislation which enables a few men to heap up ill-gotten gains, wrung from the hard earnings of the unsuspecting many; above all, cling to the Constitution as the mariner to the plank in the shipwreck, the *tabula in naufragio*, and, my word for it, the courts and Congress and the President and the governments of the States under our admirably balanced system of government, strictly adhered to, will achieve all of possible good to all men, to all classes, to all sections of our Union, without resort to doubtful expedients and to unauthorized legislation, which impair and will destroy this republic of republics by overthrowing the Constitution, without which it can not survive, but under which its life will be perpetuated as a glory and blessing to mankind.

The Protection of American Labor.

SPEECH

OF

HON. NELSON DINGLEY, JR.,

OF MAINE,

IN THE HOUSE OF REPRESENTATIVES,

Friday, April 2, 1886,

On the bill (H. R. 7479) to provide for the speedy settlement of controversies and differences between common carriers engaged in interstate and Territorial transportation of property or passengers and their employés.

Mr. DINGLEY said:

Mr. CHAIRMAN: This bill is reported by the Committee on Labor for the purpose of promoting friendly conference and arbitration as a means of settling differences between employers and employés. It applies only to interstate railroads over which Congress has jurisdiction. But the committee inform us, however, that their hope is that such an expression by Congress in favor of arbitration will result in similar legislation by States, and especially in directing public attention to friendly methods of settling labor disputes.

This bill provides a statutory method by which a board of arbitrators may be designated—one member by each side, and a third by the first two—who are to investigate the facts, and lay the results of the investigation before the parties concerned and the public, with their conclusions as to what ought to be done.

Neither the appointment of arbitrators nor the acceptance of the award is to be compulsory. The Committee on Labor inform us that they have found it impracticable to devise means to enforce either the submission to arbitration or the acceptance of any award by penalties, because of the fact that it would be so impossible to do this in cases where thousands of workmen are concerned, who could not and ought not to be compelled to do anything which they were not willing to do, and so difficult to do it where employers resisted its enforcement. The committee, therefore, have proceeded on the assumption that all that can be done is to provide a statutory method of creating boards of arbitration, and to leave public sentiment to operate to bring both parties in a dispute to accept this amicable method of solving differences between such railroads as are within the jurisdiction of Congress, where the parties themselves can not adjust them.

Unquestionably the moral effect of such an enactment will be in the right direction. I have great faith in the power of public opinion to bring about a settlement of differences between employers and employés when all the facts are publicly known and the responsibility of each clearly established. Whenever this responsibility is fixed beyond serious dispute, and whenever it is made clear what justice demands in such controversies, public sentiment will usually bring about the right result. This is not mere theory, but has been proved in a multitude of cases. Massachusetts and several other States have for many years authorized their railroad commissioners to investigate and make public report on differences between railroads and shippers of freight, without any power

to enforce their awards. Yet in every instance thus far, an award of the commissioners has been accepted by both railroads and shippers, because public sentiment demanded it.

This bill provides by statute a practicable tribunal for the investigation of disputed facts and the fixing of responsibility. I look with satisfaction upon the tendency to substitute amicable conference and arbitration to bring about the settlement of labor disputes, for strikes and lockouts, too often accompanied with strife and disorder, cause great injury to both capital and labor. When peaceful methods of solving differences are substituted for strikes and lockouts mischievous men who thrive only when there is a state of antagonism between employers and employés, and whose object is to create and keep up bitter feeling between labor and capital, will find their occupation gone.

While I recognize the fact that those moral and educational influences and economic laws which control social and business affairs, must be mainly relied upon to remedy the difficulties in the way of the right solution of the labor problem, yet there are many directions in which wise laws can co-operate with and aid these influences, and ameliorate the condition of that large proportion of our population who depend upon wages for a livelihood. Wherever experience shall show that legislation can aid in promoting the welfare of the wage-worker it should be had. As under our system of government local affairs are under the jurisdiction of State Legislatures, the larger part of such legislation is committed to them. There are, however, some directions in which Congress may legislate so as to create conditions favorable to maintaining liberal wages.

IMPORTANCE OF LIBERAL WAGES.

I take it for granted that all right-minded persons concede that it is the duty of the American Republic to legislate in such a way as to exercise the most favorable influence on the maintenance of liberal wages in this country. This should be done for the reason that the greatest prosperity of all our people is best attained when our wage-workers receive the highest practicable wages. According to the census of 1880, there were at that time 17,392,099 persons engaged in occupations in the United States. Of this number 7,907,605 were engaged in agriculture, 4,074,238 in personal or professional services, 1,810,256 in trade and transportation, and 3,837,112 in manufacturing and mechanical pursuits.

At least three million of the last division, one million of the persons engaged in transportation and trade, three million of those engaged in Federal services, and two million of those engaged in agriculture—in all, nine million of persons—were wage-workers. In other words, at least half of the persons engaged in occupations in this country, making, with their families, twenty-five million of inhabitants, or half the population of the country, were dependent mainly upon their daily wages for the means of support.

It will be seen, Mr. Chairman, that when the amount of wages received by half our population absolutely determines their ability to purchase the products of the farm, the mill, and the workshop, every industry in the country is directly interested in having wages maintained at the highest practicable point. When wages are liberal and the avenues of employment are widening, demand for products from wage-workers is large and increasing, and every interest in the community feels the tide of prosperity. On the other hand, when wages are reduced and the avenues of employment are narrowing, this demand declines, underconsumption ensues, a glut of products and falling prices follow, and hard times are felt in every direction. Hence a general reduction of wages always increases business distress, and, instead of affording relief from so-called overproduction, only intensifies the stagnation by diminishing the purchases and consumption of half the people.

But *this is not the* highest reason for the maintenance of liberal wages. We have established on this continent a form of government designed to make the most of every citizen—a government in which every man participates through the ballot-box. Now, in order to succeed in these objects, it is essential that wage-workers should receive wages which will enable them to live comfortably, provide their families with all those surroundings that elevate and improve, and especially to educate their children. The low wages which the laborer earns in European countries makes it almost impossible for the wage-workers of those countries to rise to the standard of manhood essential to the maintenance of a government of and by the people.

Therefore, Mr. Chairman, I say to you and to this House that the problem of maintaining liberal wages in this country by every expedient that can be devised is one which lies at the foundation of not only our national well-being, but also of the preservation of our institutions.

CONVICT LABOR.

Mr. Chairman, what I have said brings me to the question of the injurious influence of the competition of convicts and imported contract labor with the honest, sturdy, and industrious wage-workers who compase one-half of our people, a subject with which a bill introduced by myself and favorably reported by the Labor Committee attempts to deal.

I do not wish to be understood as taking the ground that convicts in our prisons and jails should be maintained in idleness at public expense. The intelligent exponents of the wage-workers of the country favor nothing of this kind. They know that the ends of imprisonment and the public interests forbid this. But they ask, and they ask with justice, that convict labor shall be employed in such a way as not to diminish wages and not to interfere with the employment of honest citizens in a greater degree than the labor of the same men would if they were outside of prison walls.

There is no difficulty in doing this by having prison labor employed within prison walls by the State or Government in the making of articles to be sold in open market at the full prices required for similar articles made by free labor outside. But when convict labor is let at low rates to contractors (and the rates must be low when the labor of the convicts is let to outsiders) these contractors are enabled to injuriously compete with other persons employing honest labor outside. One inevitable tendency of such competition is not only to take away from honest labor work which would otherwise go to it, but also and most injuriously to reduce wages.

For the Government, whose very existence depends upon the maintenance of a high standard of citizenship attainable only through liberal wages, to allow contractors employing convict labor at starvation wages to compete for Government work, is grave injustice; nay, more, it is suicide. I am sure that every true citizen felt that a grave wrong had been done the honest, hard-working granite-cutters of the country when they learned a few months ago that contracts for public buildings at Peoria and Buffalo had been given to contractors who proposed to do their stone work with prison convicts costing them but 60 cents a day. Congress can not too soon make a repetition of this wrong impossible by passing the bill forbidding the consideration of a proposal from a contractor employing convict or imported labor, as well as the bill prohibiting such use of convicts under United States laws.

IMPORTED CONTRACT LABOR.

Mr. Chairman, while it has been the policy of the Government from its foundation to the present time to welcome industrious immigrants who come here to improve their condition, to make a home among our people and adapt themselves to American conditions, and demand and receive American wages, a policy already carried further than public safety justifies, yet this policy does not by any means imply that we are to receive the outcasts and paupers of other nations or allow the importation of cheap contract labor. The inevitable effect of such importations, no matter of what nationality, is to introduce into our country men unfit to become citizens, men who do not come here to adapt themselves to our conditions, but mere serfs bound by contracts made in foreign countries at foreign wages and under foreign conditions, and to degrade American labor.

When the bill to prohibit the importation of contract labor was under consideration in the House June 19, 1884, in advocating its passage I said:

While many of the provisions of this bill as it now stands are imperfect, yet the evil against which it is aimed is, to my mind, one which demands legislation. Voluntary immigration of foreigners, who come here to improve their condition and make this country their permanent home, immigration of men who land on our shores as freemen, at liberty to avail themselves of American opportunities and American wages, has always been considered acceptable. Such immigration does not interfere with our protective system, which is designed to discourage the importation of the products of the cheaper labor of Europe and protect American industry and labor, because whenever a voluntary immigrant comes here free to make his own engagements on arrival and to become American in everything, he accepts not European but American wages and becomes identified with American interests.

The evil against which this measure is directed is not voluntary immigration, but the importation of foreign laborers, usually in large companies, on contracts entered into abroad under foreign conditions and at foreign wages. It is the importation of men who come here without freedom of action after they land, to serve under overseers who control their movements for a definite job or time, without an expectation of making a home here, and generally without wife or family.

Such an importation of contract labor is contrary to a sound public policy, contrary to our ideas of freedom, and contrary to the best interests of our country. Into the State which I have the honor to represent in part on this floor there was imported last year several hundred Italian laborers to construct a railroad, at wages far below the American standard. They came not to become citizens, not to live as American laborers live, not to add their earnings to the wealth of the country, but they came as Italians, lived as Italian laborers of the lower sort, disturbed the peace and quiet of our State during their brief stay, and then left to return to Italy or to be contracted elsewhere by their overseer. It makes no difference what the nationality of such servile laborers may be, it is contrary to the best interests of our country to encourage or allow their importation under contracts which render them no longer freemen.

Observation has only strengthened my conviction of the wisdom of the law to prohibit the importation of contract labor, and of the importance of making its provisions and penalties so strong that no one can import into this country such cheap labor to compete with our own wage-workers. Without such legislation, the constant struggle going on between producers and manufacturers in this country to secure a larger market for their products by cheapening the cost of production will lead some to take advantage of the cheap labor which unprincipled contractors are ready to send over here at European wages.

Mr. Chairman, no thoughtful citizen can desire to see the wage-workers of the United States brought to the condition that starvation wages have brought such workers in Europe. I have myself seen in the country districts of France ragged women performing the most menial and laborious work in the fields for from 10 cents to 20 cents per

day. I have seen skilled workmen in French and Belgian mills laboring for 40 cents per day. Even in England I have seen operatives in woolen, cotton, and iron industries working for from half to two-thirds what they obtain in this country. And all this, too, when the cost of living as a whole, provided the same scale of living existed, was only 6 per cent. more in this country than in Europe. I have seen hardy peasants in Ireland laboring in the fields from early morn till dewy eve for 25 cents per day.

How scanty must be the food and clothing of such men! How destitute the hovels in which they live! How narrow their opportunities for improving themselves and educating their children! How unfitted to exercise the duties and take upon themselves the responsibilities of self-government! How inconsiderable the home market created by wage-workers who have so little to spend!

Oh, no! We must not allow such a condition of things to creep into this country; for if it should, then indeed would free government be in grave danger.

A PROTECTIVE TARIFF NECESSARY TO MAINTAIN WAGES.

It must be obvious, however, that no restrictions on pauper immigration, no prohibition of the importation of contract labor, no organization of labor to prevent competition between laborers from forcing down wages, no plan of arbitration, no plan of co-operation or profit-sharing—none nor all of these desirable things can prevent the decline of wages in this country to European starvation wages, if we admit the products of this labor, manufactured on European soil and under European conditions, to the markets of this country free of duty, or at so low rates of duty as to fail to bridge over the difference of cost in the two countries arising mainly from our higher wages.

I need not, Mr. Chairman, dwell on this proposition. Nothing can be clearer than that the possibility of long maintaining much higher wages in this country than in Europe depends upon whether we protect our own industries and labor by imposing a duty upon the imported products of similar European industries. The chief element in the cost of any manufactured article is the labor which has entered into it all along the line from the materials in a state of nature to the completed product. Take iron for example. The ore in the ground is of very little value. It is labor in digging the ore, labor in converting the ore into pig-iron, and labor in converting the pig-iron into bar-iron and steel, which make the cost. Nothing in it is really raw material except the ore before it was taken from the ground. What makes this iron or steel cost more in this country than in England is almost entirely due to the fact that the same quantity of labor applied to digging the ore, making the ore into pig, and the pig into bar iron and steel, costs from 60 to 100 per cent. more in this country than in England.

Is it not obvious that if English iron is admitted to this country free of duty or at a low rate of duty that it must take the place of American iron in our markets, unless American manufacturers can obtain their labor as low as the English manufacturers?

Take any other manufacturing industry, cotton, leather, or wood, and the same result would follow if protective duties should be removed. The manufacturer has no other fund from which to pay wages than the amount for which he can sell his product. If the selling price of his product is reduced 25 per cent. by the admission of similar foreign-made goods at a lower rate of duty, then his fund from which to pay wages is reduced 25 per cent. and he must pay so much the less wages, or else give up his business and let the foreign manufacturer take our market, simply because no one will continue an industry at a loss. So long as there is a profit then there is an opportunity for labor to make use of every legitimate means to secure its fair share of that profit. When the profit vanishes the opportunity for labor to increase its earnings is gone.

No one has more clearly stated the economic truth that a protective tariff is indispensable to maintain wages at a higher standard in the United States than in Europe than did Hon. ABRAM S. HEWITT in his oft-quoted letter of January 27, 1870. In this letter Mr. HEWITT said:

The only reason why we pay more for American rails is because we pay a higher rate for the labor which is required for their manufacture, but for no greater quantity of labor. Free trade will simply reduce the wages of labor to the foreign standard, which will enable us to sell our rails in competition with foreign rails. But as a matter of course, the ability of the laborer to consume will be reduced, and a serious loss will be inflicted on commerce, general industry, and the business of the railways especially. The only reason why a tariff is necessary is to supply the laborer with such wages as will enable him to travel and consume not merely the necessaries, but some of the luxuries of modern civilization. Besides, if we have free trade, we can not expect to procure our supplies from abroad by increased shipments of grain, for already the European markets take from us all that they require, and no amount of purchase of goods from them will induce them to buy more food than they need, and which they now take as a matter of necessity.

Faithfully, yours,

ABRAM S. HEWITT.

Although Mr. Hewitt has changed his attitude on this question, yet he has never successfully answered the arguments presented in this letter.

In a newspaper report of recent arguments made by a delegation of laborers, mainly Knights of Labor, who appeared before the Ways and Means Committee of this House to protest against the bill to place manufactured lumber, potatoes, hay, &c., on the free-list, and to reduce duties on manufactured articles, I find the case clearly stated as follows:

Roger Evans, a sturdy iron-worker of Ohio, was the first speaker. He said that even with the present duties iron of the value of $33,610,093 was imported last year. If this iron had been made in this country there would have been work for fifty thousand more laborers. Reduce that duty as proposed by Mr. MORRISON and iron of the value of more than $100,000,000 would be imported, and this would take away employment from more than fifty thousand iron-workers now having employment, and would reduce the wages of all engaged in iron industries. What is wanted, he said, is a higher rather than a lower tariff, for as duties are reduced a larger quantity of iron made by the cheaper labor of Europe is enabled to find a market here, displace domestic iron, deprive our own laborers of work, and reduce their wages.

If, added Mr. Evans, it were not desirable to maintain higher wages here than the starvation rates which prevail in Europe, then we could admit foreign-made goods free. But the American laborer should live better and have means to improve himself and educate his children. If there were no duties imposed on foreign-made goods, then they would command our markets and prevent the making of such goods here, unless our wages should be cut down to the foreign standard. The tariff question, said Mr. Evans, is emphatically a labor question, and intelligent workingmen understand it and will snow under Congressmen who vote to reduce duties and thereby benefit foreign producers. Men may here and there favor a reduction of duties or free trade and claim at the same time to be friends of labor, but the great body of the workingmen can not be deceived.

A free-trade member of the committee interrupted Mr. Evans, saying: "We are striving to pass a tariff law that will make it unnecessary for your employers to import pauper labor."

"Yes," replied Mr. Evans, "I understand that you are trying to frame a law that will flood our markets with the products of the pauper labor of Europe, and thus make paupers of us. Foreign-made goods can be imported in any quantity at any time, at little cost, except so far as the duties imposed on them here prevent. Take off or reduce these duties, and we laborers are entirely at the mercy of pauper labor in Europe working under European conditions. Inevitably we must come down to their standard of wages and living if their products are to come in here free of duty or at low duties to compete with the goods made by us. The most essential thing to do is to impose high duties on these foreign-made goods when they come here to take the bread from our labor. Then, in addition, and as a supplement to this, we ask for laws prohibiting the importation of foreign contract labor. The last Congress passed such a law, and we propose to ask this Congress to make the law more efficient.

Mr. Jones, a Chicago workingman, then addressed the committee, saying that the workingmen are coming to understand that high duties on articles produced abroad which come into competition with articles made here are necessary to secure liberal wages in this country. He added: "The politician who tells us that a tariff has nothing to do with wages in this country either deceives himself or attempts to deceive others. Workingmen know from experience that free trade or low duties on any articles simply cause more of those articles to be imported to take the place of similar articles made here and thus turning workingmen out of employment and tend to reduce the wages of the labor employed in making such articles in this country. It is nonsense for any politician to pretend that a considerable reduction of the duty on iron, woolen, cotton, or leather goods, for example, will not bring such foreign-made goods into our markets in larger quantities to take the place of our own goods. In the struggle of our manufacturers to compete with goods made abroad by cheaper labor it is inevitable that wages will be reduced or the business given up."

John Jarrett, of Pittsburgh, president of the great amalgamated labor organizations, made the closing address in behalf of the workingmen of the country, and was listened to with much interest. He said that he desired to emphasize the fact that the high duties on imported goods are indispensable to maintain liberal wages in this country. Any man claiming to be the friend of labor who pretends otherwise occupies a false position, and is not what he claims to be. It is well known that wages in the United States are from 38 to 100 per cent. higher than in England—varying in different industries according to the skill required. The average is shown to be 70 per cent. higher here than in England. This is true to-day, even with the great depression of industries and reduction of wages here, as well as abroad.

It needs no argument, said Mr. Jarrett, to make it clear that if we had no tariff duties on the manufactured products of England's cheaper labor when imported in this country, then we could not make such articles here in competition with those made in England and imported into this country, unless the wages of our labor should be brought down to the English standard. This is so plain that any man can see it.

But it is said that it is not proposed to place foreign-made goods on the free-list, but simply to reduce duties.

Yes, replied Mr. Jarrett; but it is proposed to place on the free-list imported manufactured lumber, potato starch, iron ore, hay, potatoes, oats, and many other arttcles into which labor enters. So far this is free trade as to the laborers who make or produce those articles, and subjects them to direct Canadian competition.

But it is also proposed to reduce the duties on almost all other manufactured goods, and just to the extent that duties are reduced the importation of foreign-made goods is increased, our own manufactures curtailed, and the wages and opportunities of labor reduced in this country. There can be no doubt of this. If with the present duties foreign manufacturers were last year able to send to and sell in this country iron goods to the value of thirty-four millions, leather and leather manufactures to the value of ten millions, glass manufactures to the value of six millions, hats, &c., to the value of four and a half millions, cotton manufactures to the value of twenty-seven millions, woolen manufactures to the value of thirty-five millions, and manufactures of wood to the value of nine millions, it is evident that the duties on these goods are already dangerously low, and ought to be higher instead of lower; and that any considerable reduction of them, as proposed, will double the importations and displace American labor and reduce our wages.

If, said Mr. Jarrett, we had made in this country the manufactured goods imported from abroad last year, five hundred thousand of our laborers who were out of employment would have had remunerative work.

To further reduce wages, as proposed by the bill proposed, would add another corps to the army of unemployed and further reduce wages.

Senator FRYE, of Maine, recently received a letter from a friend who was appointed a consul in a European city a few months ago, and who went abroad tinctured with the idea prevalent with his political associates that our tariff duties should be abolished or largely reduced, and that wages abroad, estimated by purchasing power, are nearly as large as in this country. This gentleman, after investigating the actual situation abroad, frankly writes to Senator FRYE:

Since coming here I have examined and studied the tariff question carefully, and have come to the conclusion all honest men must come to who will come here with eyes open willing to see and learn, and that is, we should have a higher instead of a lower tariff. Labor here [where the consul is located] is fearfully degraded, and the people work for nothing and board themselves. You can

hire men for 24 cents a day to do what would cost $1 per day in the States. We keep house, hire a good cook for $4.80 a month, a nurse who takes care of the children night and day, makes beds, sweeps, &c., for 24 cents a day and boards herself, a very smart man, who speaks German and English well, works hard from early morning till late at night for 48 cents per day and boards himself.

In Italy and Austria labor is still less. In a manufacturing business with which I am familiar, and into which labor largely enters, as you know, the cost here is from 60 to 75 per cent. less than in the United States. There is a concern near me employing two thousand people in the manufacture of corsets, all of which are exported to the United States, who pay their help almost nothing, not nearly one-half as much as we pay in the United States. The policy in our country with many seems to be to reduce the tariff, while here and in Austria it is sought to increase it. England is suffering terribly from the low price of German goods, and will have to make tariff laws soon to protect her labor. I know many of my party friends favor free trade, or an approach of it. I can never agree with them, and when I go home shall sound the alarm as best I can. Free trade, or close to it, will ruin the industries the reduction strikes.

The majority of the Shipping Committee have reported to the House a bill to allow the importation and American registry of completed foreign-built vessels free of duty. The majority report admits that the object of this is to have our vessels built in British yards because they can be built cheaper there; and the only reason that they can be built cheaper there is that the labor which digs the ore, makes the iron, and transforms it into a ship commands lower wages in England than here.

If such a bill should become a law the thousands of mechanics who have found employment in our ship-yards would have no work to do unless they were prepared to labor at the diminished wages obtained in the ship-yards of Great Britain. Can there be any doubt in this case that the protection now given to American ship-building furnishes employment to thousands of skilled workmen at much higher wages than are paid in England? Of what use would any plans of co-operation, profit-sharing, or labor organization be to skilled workmen in ship-yards if the bill to admit foreign-built ships free of duty should pass?

The majority of the Ways and Means Committee has agreed to report a bill allowing the importation of all kinds of Canadian fish free of duty. Is there any person interested in fishing vessels, is there any fisherman who does not see that the passage of that bill would be a serious injury to the hardy men who brave the dangers of the deep?

The same committee has agreed to report a bill to admit foreign-grown wool and Canadian manufactured lumber free of duty. Is there any farmer or any farm laborer or any employé in lumber-mills who can not see that the abrogation of the present duties on imported wool and Canadian manufactured lumber will affect them injuriously?

The same committee has reported a bill to reduce the duties on cotton and woolen goods. Can any one fail to see that such reductions of duty will give an opportunity for increased importations of foreign-made goods to take the place of goods made in this country by our own laborers, and thus diminish the avenues of employment here and tend to reduce wages?

Can any laboring man fail to see that a protective tariff is essential if we would maintain wages in this country at a higher standard than in Europe?

It must be borne in mind that notwithstanding some occupations, like carpenters, masons, &c., are protected against direct European competition by the fact that foreign-built houses can not be imported, and some other occupations are protected by other natural conditions, yet the tariff protection of such occupations as would be subjected to direct competition from imported goods if a sufficient duty were not imposed upon such articles, is as necessary to maintain wages in the former employments as in the latter. Wages in any community will equalize themselves in all pursuits with reference to the skill required in each employment, for the reason that workmen easily pass from one occupation to another. When manufacturing industries are not carried on to a considerable extent in any country, workingmen crowd into agriculture, building trades, and other occupations, and force down wages in these pursuits. Wherever manufacturing industries thrive the farmer finds the best market and highest prices, and the mechanic the widest employment and most liberal wages.

Investigation will develop the fact that the wages of not only mechanics, but also of farm laborers, are lowest in those States in which there are few manufacturing industries; and that wages rise as such industries are established and developed.

Mr. Dodge, the Statistician of the Department of Agriculture, shows in a recent report that in those States of the Union in which manufacturing industries have been most extended the wages of farm laborers average $25 per month, including board; in the States where these industries are much less extended the wages of farm laborers average $19.50 per month; and in the six States which are destitute of manufacturing industries the wages of farm laborers average only $13.20 per month. And it is noticeable also that in these three classes of States the wages of mechanics and all other wage-workers show substantially the same relative differences.

These facts show that the wages of mechanics and even of farm laborers are increased by the establishment, or kept down by the absence, of manufacturing industries, and therefore that the protective policy which encourages such industries tends to improve wages in all occupations.

Mr. Chairman, regarding, as I do, the maintenance of the highest practicable wages essential to the prosperity of all interests in this country and indispensable to the preservation of our free institutions, I earnestly favor the maintenance of such a protective tariff as will hold American markets for the products of our own industries and prevent the reduction of wages which must follow the free admission of the products of the cheaper labor of Europe. To this should be added the prohibition of imported contract labor by such penalties as may be necessary to accomplish the purpose. Then every acre of the public land should be reserved for settlement under the homestead law by *bona fide* settlers who desire to make homes for themselves and their families. Whatever other measures may tend to maintain liberal wages should also be enacted, for the highest prosperity of the nation can be secured only as the best interests of the wage-workers of the country are justly protected.

Silver Coinage.

SPEECH

OF

HON. WILLIAM C. OATES,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, March 20, 1886,

On the bill (H. R. 5690) for the free coinage of silver, and for other purposes.

Mr. OATES said:

Mr. SPEAKER: The discussion of silver coinage and its incidents has been so extensive and has taken such a wide range that there is but little if anything of interest to be added. I shall not, sir, attempt to enter the domain of speculation or prophecy or the equally fertile and uncertain field of statistics, in either of which our casuistical statesmen find full authority for diametrically opposite conclusions on this or almost any other complicated question.

My purpose is merely to give expression to the result of my study and reflection upon a subject about which so much has been said. I believe that the existing silver coinage act, known as the Bland law, is a most unscientific and illogical measure, and never could have been intended to be permanent, but a temporary expedient only. It was necessary and a good measure when passed; it has and is now subserving a good purpose, though it is clear to my mind that at no very distant day other legislation will be substituted for it. I am a bimetallist, Mr. Speaker, and would regard it as a cruel injustice, if not a crime, against the debtor class of the people of the United States to demonetize silver, and I am glad, sir, to believe that very few, if any, of the members of this House would sanction it.

I believe that legislation is necessary to give silver a fair chance and maintain it as good, honest money. I will not, however, vote to repeal or suspend the Bland law until such legislation as meets my approval is secured. We have gold coin, silver coin, gold certificates, silver certificates, greenbacks, and national-bank notes—six different kinds of money. All should be maintained at an equal standard of value. All should have an equal purchasing power.

A difference in the purchasing power—the debt-paying capacity—ought not to exist, and while it does not exist at present, notwithstanding the difference in bullion value of a gold dollar and a silver dollar, how long will this enforced equality continue? How long can this continue with the existing difference in the bullion value of a gold dollar and a silver dollar? The statutes of the most powerful nations can suspend only for a limited time the laws of trade. They will, like the suppressed forces of nature, soon resume their sway.

The free coinage of metal is *per se* right, but the bill under consideration continues the standard at 412½ grains of silver to the dollar and gives the present large profits of the Government or seigniorage to the bullion-owner, while there is no security against an influx of foreign silver bullion. Looking also to the attitude of the Latin Union upon silver, I do not think that we can take the risk of free coinage at present, and I shall therefore vote against it.

But why should we have any trouble about our coinage? There is no necessity for a continuance of the coinage of standard silver dollars. Provide for the issuance of bullion certificates based on both gold and silver bullion at their actual value, not in New York alone, but in London, in Paris, in the markets of the world, to be ascertained from the average market value during a given period within each year, and let the issue run from one dollar upward. Why would not such a currency, redeemable in either gold or silver at the option of the Government, be the best in the world? None could be more honest, more convenient, or on a firmer basis.

The distinction between gold and silver money so far as the people are concerned would be stricken down. It would be not only good money this year and the next, but twenty years hence it would largely take the place of our national-bank circulation, which can not subsist longer than the date of redemption of the 4 per cent. bonds, which mature in 1907.

I believe, sir, that by wise legislation and faithful administration we

can by that date pay all of the national debt, the national banking system can be dispensed with, and an ample amount of currency be secured based upon deposited bullion, the coined money we now have, with such additions as the necessities of the Government may require of subsidiary coin, without producing any stringency on the one hand or plethora on the other, or in any wise disturbing the business interests of the country. I would not disturb the present legal-tender quality of silver dollars already coined, but would declare the trade-dollar, which contains 7½ cents more of pure silver but is at a discount, to be a legal tender. The last section in such a bill should repeal or suspend the existing silver-dollar coinage law. But, sir, I will not vote for such repeal or suspension unless it is preceded or accompanied by some such legislation as I have indicated.

I am not an inflationist. I do not believe in fiat money. I have no respect for the absurd dogma of the Supreme Court that Congress has power to make anything a legal tender because not prohibited by the Constitution from so doing. I believe in gold and silver, the money of the Constitution, and paper convertible on demand of the holder. I desire to see the volume of money increased to meet the annually increasing population and commerce of the country, but no irredeemable issues. I want nothing but good, honest money. Paper money I want in great abundance, but convertible into coin, or its equivalent in bullion, on demand of the holder. If any loss should be sustained on the bullion in consequence of the fluctuation in price, the Government can stand it better than the poor laboring people of the country.

For the Silver Dollar and its Free Coinage.

SPEECH

OF

HON. JOHN W. DANIEL,

OF VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 7, 1886.

The House having under consideration the bill (H. R. 5690) for the free coinage of silver, and for other purposes—

Mr. DANIEL said:

Mr. SPEAKER: Before me is a silver legal-tender dollar of the United States. It contains 371¼ grains of pure silver, or 412½ grains of standard silver. On one side is the head of the Goddess of Liberty, the national motto, "*E pluribus unum*," and the thirteen stars. On the other side is the spread Eagle of America with the legend at its head, "In God We Trust," and at its feet the words "one dollar."

This coin bears the image and superscription of the United States, and it is by law a legal tender for taxes and for all public and private debts.

To the eye of the beholder it has an honest face, and upon that face is engraven the national faith and honor in pledge of the fact that it is just what it claims to be "one dollar;" while in the statute law behind it are the fully expressed pledges of our national faith and honor that our Government shall receive it for taxes; that our creditors shall receive it for payments; that our pensioners shall receive it for bounties; that our public servants shall receive it for wages; and that, as between man and man, whosoever becomes its possessor may with it absolve himself to another whom he owes to the extent of one dollar of his debt.

A DOLLAR OF THE CONSTITUTION.

This silver dollar is one of the bimetallic coins of a bimetallic constitution, which provides that Congress shall have power to "coin money, regulate the value thereof, and of foreign coins," and that no State shall "make anything but gold and silver coin a tender in payment of debts."

THE OLDEST DOLLAR.

It is the oldest of all our dollar pieces, emanating from the Mint in 1794, under the act of 1792, whereas the gold dollar piece was never coined, or authorized to be coined, until 1849, although larger gold pieces were provided for in 1792 at the ratio of value to the silver pieces of 1 pound of gold to 15 of silver.

THE UNVARYING DOLLAR.

The silver dollar, as originally created, contained 371¼ grains of pure metal. It contains exactly that amount of pure silver now. But the gold dollar has changed. In 1834, when Europe had drained our gold and silver had become nearly if not quite our sole metallic circulation, Congress fixed a new ratio between the two metallic moneys of 1 pound of gold to 16 of silver by reducing the gold dollar from 24¾ to 23⅕ grains of pure gold.

CO-UNIT OF VALUE WITH THE GOLD DOLLAR.

This dollar is co-unit with the gold dollar as denominator or standard of value. All estimates and appropriations, all assessments and appraisements, whether of the Federal Congress, the State Legislatures, or of business men, are made with reference to the whole volume of money to be dealt with, and (save in rare cases) not with reference to any particular kind of money. In this manner "the dollar" simply, regardless of its material, is used throughout America as unit of value. True it is that when silver coinage was discontinued in 1873 gold was declared to be the unit of value; but when silver was rehabilitated as legal tender and coinage of it was provided for in 1878 the silver dollar was fully restored as co-unit of value, for it is absurd to say that you can measure the amount of a debt, or the value of what it buys, by anything else than the wherewithal of payment.

The act of 1873 making the gold dollar sole unit of value was effectually repealed by the act of 1878 restoring silver (albeit in limited supply) to the same uses as gold, not indeed in so many words, but by inevitable implication. Things equal to the same thing are equal to each other; and when the law made the gold and silver dollars equal to each other, it made each equal to the same thing—the unit of value.

ONE OF THE PILLARS OF OUR MONETARY SYSTEM.

This silver dollar is one of the pillars of our monetary system. That system is like an arch of which the national debt is the keystone. One side of the arch is our greenback currency and the other side is the national-bank currency, and the two pillars upholding the arch are the gold and silver dollars. When the debt was contracted, and when the greenback and national-bank notes were emitted, the people of the United States had upon their statute-books the expressed liberty to coin freely as many gold dollars and as many silver dollars as they pleased to redeem those obligations. The bondholders knew this, for there were the open statutes; and when they renewed their bonds in 1870 still were those statutes there. As to the medium of payment of outstanding bonds there can be no question.

Upon every 5 per cent. bond it is engraven, so that every one may read:

This bond is issued in accordance with the provisions of an act of Congress entitled "An act to authorize the refunding of the national debt, approved July 14, 1870, amended by an act approved January 20, 1871," and is redeemable at the pleasure of the United States after the 1st day of May A. D. 1881, *in coin of the standard value of the United States on said July* 14, 1870, with interest *in such coin* from the day of the date hereof, at the rate of 5 per cent. per annum, payable quarterly on the 1st day of February, May, August, and November, in each year. The principal and interest are exempt from the payment of all taxes and duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority.

And upon every 4 per cent. is engraven:

This bond is issued in accordance with the provisions of an act of Congress entitled "An act to authorize the refunding of the national debt," approved July 14, 1870, amended by an act approved January 20, 1871, and is redeemable at the pleasure of the United States after the 1st day of July, A. D. 1907, *in coin of the standard value of the United States* on said July 14, 1870, with interest in *such coin from the day of the date hereof at the rate* of 4 per cent. per annum, payable quarterly on the 1st day of October, January, April, and July in each year. The principal and interest are exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority.

And as all of the interest-bearing coin obligations of the Government were issued under the act of July 14, 1870, except the 3 percents issued in 1881, all of them are payable "in coin of the standard value of the United States" as of the 14th July, 1870. No man is so bold as to deny this. If he did refutation is before him. Both Houses of Congress have declared it in the well known Mathews resolutions of 1878, which, after reciting the facts, read as follows:

Resolved by the Senate (the House of Representatives concurring therein), That all the bonds of the United States issued, or authorized to be issued, under said acts of Congress hereinbefore recited, are payable, principal and interest, at the option of the Government of the United States, in silver dollars, of the coinage of the United States, containing 412½ grains each of standard silver; and that to restore to its coinage such silver coins as a legal tender in payment of said bonds, principal and interest, is not in violation of the public faith, nor in derogation of the rights of the public creditor.

And setting at rest, if doubt there could be, what the coined dollar means, the Supreme Court of the United States long ago told us that—

The coined dollar was a piece of gold or silver of a prescribed degree of purity, weighing a prescribed number of grains. The note dollar was a promise to pay a coined dollar. (Bronson vs. Rodes, 7 Wallace, 251.)

PUBLIC DEBTS PAYABLE IN SILVER COIN.

So that our $346,000,000 of note dollars, our $1,700,000,000 in round numbers of bonded and other debt, in all some twenty thousand millions of national obligations, all rest upon the pieces of silver like this of prescribed purity and quantity, and upon pieces of gold of prescribed purity and quantity, each called, and in each, in fact, a dollar. The national-bank notes amounting to $315,000,000, and State, municipal, corporate, and individual debts of prodigious volume, all rest at last upon these two foundations.

Those who would shake these foundations are engaged in a perilous undertaking. And many are the arts of speech with which they seek to sap and mine them.

Pleas are put in which might have been wisely considered before the vast superstructure of debt arose on these foundations which now are inadmissible to the sense of justice, and to the sense of expediency as well. The casual separation of the two metals, silver and gold, in bullion value was a thing contemplated when the double standard was adopted. It was a danger inherent in the very nature of a double standard. But the double standard was adopted by our Constitution; it has prevailed (with a slight and partial suspension) from 1792 to

1886, and to assail it now, either directly or by side thrusts, is to aim a blow at interests which can only be expressed in dollars by the thousand million; is to increase the burden of debt, and to abbreviate the means of payment.

We must meet the skirmish line of monometallism as it comes, in whatsover guise of fallacy or sophism it adopts. When it has been repelled, then let us advance for the full restoration of the people's money.

THE SILVER DOLLAR IS REAL MONEY.

But the silver dollar is not real money, we are told by the able gentleman from South Carolina [Mr. HEMPHILL], who says:

That alone is real money which does not depend for its value on law but on the precious metal that is in it, so that its real value is equal to its legal value, and whether minted into money or melted into bullion it is worth the same thing.

If the gentleman is right the Constitution is wrong; and Congress has been wrong from 1792 to 1886. When the Constitution gave power to Congress to "coin money" it ought to have stopped there, the gentleman would have us believe; for if bullion value alone was to regulate the value of the coin, the constitutional prerogative "to regulate the value thereof" would have been worse than surplusage. The Constitution was wiser than some of our learned colleagues. It knew, for the experience and practice of mankind had taught its makers, that the law and the law alone can regulate the value of money, at least in so far as money is a medium for payment of debts. Enforced payment can only exist by law, and law alone can regulate the medium of payment.

THE SILVER DOLLAR NO MORE "FIAT" THAN IS THE GOLD DOLLAR OR THE NATIONAL DEBT.

Neither is the silver dollar any more a fiat dollar than is the gold dollar, nor than is the national debt a fiat debt. Indeed there can not be either dollar or debt without fiat. If it be meant that nothing but fiat is in this dollar, it is obvious error. If it be meant that 80 per cent. or present bullion value is real money and the residue of 20 per cent. is fiat, I can understand the idea though to my mind it does not import the intended argument. Many of the national bonds were originally given at the rate of $100 of promise for $60 of money. Their obligation has 60 per cent. of substantial consideration and 40 per cent. of mere "fiat" promise.

But does not moral and legal obligation alike permeate the whole hundred per cent. of promise? Undoubtedly. And in like manner, as I conceive, whether this dollar in its utility is 20 per cent., or 40 per cent. of fiat, the Government has no more right to repudiate any part of the people's means of payment than it has to repudiate their obligation of payment. Its fiat of obligation to pay, and its fiat of obligation to provide the silver dollar as it is, as one of the means of payment, were correlatives of each other.

WHO IS RESPONSIBLE FOR SEPARATION OF LEGAL-TENDER AND BULLION VALUE?

And if indeed the legal-tender and bullion value of this silver dollar have parted, at whose instance was the act done that parted them? Was it not the bondholding class that obtained the demonetization of silver? It was done clandestinely. The people did not ask it, and did not know it. Did not the money-power policy bring about the very evil for whose cure it is sought to make the people pay?

CONTINUOUS PRESERVATION OF BULLION AND LEGAL-TENDER VALUES IMPOSSIBLE.

And if my honorable friend from South Carolina be right in claiming that nothing is money unless its intrinsic and legal value be equivalents, is it not plain that he must seek some other than this mundane sphere for the material thereof—for some unfound substance not subject to "the skyey influences" of change; or otherwise abolish the world's system of finance of which the basis is a fixity of legal-tender valuation?

Bullion value and legal-tender value have ever varied, and must ever vary, largely in proportion as metal is most in demand for money or for other uses. Metal money goes to the smelting-pot when money is overplentiful, and turns itself to other uses. Bullion, even in polished and artistic forms, rushes to the mint when money is rare and dear. And as the market most needs money, or the raw material, so must ever fluctuate the relations between bullion and legal-tender values. Alexander Baring stated to a parliamentary committee in England, where gold was sole legal tender, that during the crisis of 1847 it was impossible to borrow a guinea of gold on £60,000 sterling of silver. And on the other hand it is authentically related that in Calcutta, where silver was sole legal tender, the owner of £20,000 sterling of gold was obliged in the crisis of 1884 to declare himself a bankrupt because he could not borrow a single rupee upon it.

This shows that intrinsic and legal-tender valuations must often separate, however delicately adjusted. It shows, too, that the fixed debt-paying attribute of money imparts not only one of its highest, but oftentimes its very highest and most important function. And it illustrates the correctness of Cernuschi's definition of real money, which is very different from that given by the school of which the gentleman from South Carolina is the spokesman.

Says the clear-headed Frenchman:

"Money is a value created by law to be a scale of valuation and a valid tender for debts."

This, as I conceive, is a perfect definition. It fences in everything that is money, and fences out everything that is not money. And its author very lucidly explains it.

Certainly—

He continues—

Certainly every one understands that as regards paper money the value is created by law, but it is perhaps not easy for every one to admit that with regard to metallic money also the value is created by law. It is, however, the fact. If you suppose that gold is not money, is not legal tender, if you suppose that silver is not money, is not legal tender, the value of gold, the value of silver, is lost. * * * If England, France, Germany, and the United States renounced the use of gold money, if everywhere only silver money is adopted and gold money abandoned, all the gold will remain without value; all the shareholders of the gold mines will be ruined, because the value of their shares depends upon the legal fact that the metal extracted is legal tender. I do not say that some of the mines will not remain open. I would illustrate my meaning by citing the probable consequence to follow with reference to the opium of India.

If China should make a law forbidding the use of opium, or if the great temperance societies whose object was to restrain the use of opium should become popular in China, what then would become of the poppy cultivated in India? The culture would be abandoned. Yet opium, nevertheless, would not disappear entirely. The opium of Smyrna, on the Mediterranean, would still be cultivated as a medicine. The same process of reasoning applies with reference to gold and silver. This fact that money is a value created by law is one of great importance, and I can cite you the hightest authorities in proof that what I say is true.

How plain it is, if we would but pause to notice it, that it is use that makes value. What would be the value of cotton if you could not make cloth of it? What the value of cloth if the law forbade the making of clothes with it? What the value of cotton clothes if the law said we should not wear them? Gold, if denied money use, would be just like cotton denied these uses. The living fruit-bearing reproductive tree, and dead dry lumber are not more different than are the metal made into legal-tender money and the metal to which that money function is denied. And if silver has lost 20 per cent. of its bullion value, its disfranchisement as money tells the reason why.

THE SILVER DOLLAR IS A HUNDRED-CENT DOLLAR.

The "fiat-money" argument renews itself in another form; "the silver dollar" is but an "80-cent dollar," cry its enemies. This is simply saying that gold makes the only dollar, for the "cent" is a mathematical expression, and signifies no more and no less than the hundredth part of anything that is a dollar. It is a denial of dollarhood to that "piece of silver of a prescribed degree of purity weighing a prescribed number of grains," which the Supreme Court has defined to be a coined dollar, and which all our statutes, all our people, and all of our administrations since 1878 have fixed to be, and used, treated, and circulated as a coined dollar. If a bushel of wheat were worth a dollar, and a bushel of corn 80 cents, he would be looked upon as "gone clean daft" who declared that the bushel of corn was but eight-tenths of a bushel, and the degree of his derangement could only be surpassed by that of another who declared that the bushel of corn was but eight-tenths of a bushel, at a time when the corn and the wheat when so certified by official measurement were each worth, and would be paid for under Government contract, at the rate of a dollar. The obliquity or obscurity of vision on the part of the latter patient would be just that of the silverphobist who calls the silver coin an 80-cent dollar; for it has ever maintained, and to-day maintains, its parity with the gold dollar under a raking fire of disparagement from the trained batteries of imperial money-greed in two continents.

THE SILVER DOLLAR MAINTAINS ITS PARITY WITH THE GOLD DOLLAR.

Dismissed from free coinage, and almost any manner of coinage, by England in 1816 even silver bullion maintained parity with gold bullion in England for half a century afterward, as well authenticated tables attest. And is it not probable that if in that long tract of time England had treated it according to its natural relations it would have gotten ahead of gold? At any rate the bullion silver held its own until King William and Bismarck defeated France, founded the German Empire, and sought to build a golden throne with the thousand millions of gold with which the French bought peace. Away went silver—demonetized by wholesale. Think of what a downward plunge was given it when in 1876 3,200 tons of disused German silver coins were flung into the market stripped of every monetary function.

Think of the depression given when America closed her Mint in 1873, and when later even silver-loving France had to follow her example. But with all this the over two thousand millions of silver money in Europe keeps its parity with gold money, and here in America the silver dollar, even though it fights for dear life, like Winkelried, with its breast to the spears, it holds up its head at par, and in this grand transcontinental "bimetallic Union," as it has been happily termed, of thirty-eight States and eight Territories, it keeps even step with its golden brother in nothing defective to fulfill its mission as money. What vitality is there that can live in such a storm!

THE SILVER DOLLAR MAINTAINS ITS RELATIVE VALUE TO GOLD BULLION.

Value is not a substance; it is a mere market relation between two things. As to all things, and even as to gold bullion, the silver dollar maintains as high a relation as the gold. Red tape and official statement carry conviction to some who refuse conviction from their own senses. This statement, which I obtained from the Bureau of the Mint, concludes the question:

One hundred dollars in silver dollars will now purchase in the United States as legal-tender money as much gold bullion as $100 in gold coin will, namely,

4.837 pure ounces; but in foreign markets $100 in United States silver dollars will now purchase 3.860 ounces of pure gold.—*Letter of E. O. Leech*, computer of bullion, of March 19, 1886.

Yes, gentlemen, the people know, for they daily test it, that whether there is wanted a silk dress or a loaf of bread, a horse-shoe or a marriage license, a diamond necklace or a carpenter's plane, a tax-receipt or a marble palace, a postage-stamp or a herd of cattle, a negotiable note or a circus ticket, the silver dollar will go just as far in getting it or paying for it as a gold dollar; and that whether it be the President or the school-boy, the millionaire or the tramp that passes it or receives it, he touches it unconscious of any infirmity in it, and finds

The pleasure is as great
Of being cheated as to cheat.

THE SILVER DOLLAR WILL READILY CIRCULATE.

"But it will not circulate," shouts the monometallist. Will not circulate! As well tell me that water will not run down hill, or that the sparks will not fly upward in the gale. Will not circulate! Sixty millions of people—minus the allied banks—have their hands up and open to receive it; and they—the banks—want it just as bad as the rest of American humanity, provided only they can not compel the two-wheeled cart of the double standard to tilt over by pulling off one wheel and pour its contents into their wide-spread laps. Their object plainly was to increase the value of gold and compel payment of their securities in gold. Who ever refused a silver dollar save the gold-gorged bank combination that acted with such selfish purpose that the slow-moving law at last reminded them that they were nominally at least its creatures? Silver will circulate; and it is only by a tightly-fastened ligature, whose coils have sunk for lo! these many years into the flesh, that free circulation through every artery and vein of the body-politic has been prevented.

It is piled up in Treasury vaults and will not get out, we are told. Softly! Softly!

A LARGER PROPORTION OF SILVER THAN GOLD IN GENERAL CIRCULATION.

On January 15, 1886, there were forty millions less of hoarded silver in the Treasury than there were of gold. Of our total sum of five hundred and fifty-three millions of gold coins there were then but two hundred and ninety millions in other hands than those of the Treasury, the national banks, and the State banks—a fraction over a half in general circulation; whereas of our total two hundred and ninety-three millions of silver coins (which includes the subsidiary coins), there were one hundred and eighty-three millions in general circulation—either in coin form or as represented by silver tax-paying certificates (see appended table A). Will not circulate! Behold the fact that two-thirds of our silver does move in general circulation, and but half of our gold. Will not circulate! Our expenditures for the fiscal year 1885 were three hundred and five millions—of which fifty-one millions were for interest, fifty-six millions for pensions, forty-two for the military establishment, fifty-four for miscellanies, forty-five for the sinking fund, sixteen for the navy, and twenty-three for civil expenses. Where was the trouble in getting the silver out on any of these accounts?

And if all of our silver, instead of only about a third of it, were in the Treasury to-day there would be no more legal or practical difficulty about getting it out than there is in taking a pen and drawing a check on any other deposit.

THE BULKINESS OF SILVER AN OBSOLETE OBJECTION.

"Ah! but it is so bulky," still cries the anti-silverite. This is the gasp of the Bourbon, and an obsolete objection. The anti-fat medicine has effected a perfect cure of the corpulency of silver. For any sum of ten dollars or upward you can get a silver certificate, and while the bulky coin abides safely in the Treasury vaults the certificate moves nimbly on its mission. Convenience and safety are alike subserved. Lightness is substituted for weight. Cost of transportation is saved. Abrasion and clipping are prevented. And gold itself, bowing in homage to the winged silver, taps at the Treasury door to the extent of eighty millions, and doffing its yellow robe prays to be arrayed in the silvery certificate vestment. Will not circulate! Gold itself has denied the imputation made by its own blind worshipers!

THE SILVER DOLLAR AS THE PRODUCT OF THE GREATEST SILVER AND GOLD PRODUCING NATION.

This silver dollar is for the most part the product of our own country, and we produce more silver and more gold than any other nation. Our mines turn out about 42 per cent. of the silver of the world, and about 33 per cent of the gold. Of the one hundred and fifteen millions of silver mined in 1884 the United States produced forty-eight millions, and of the ninety-eight millions of gold it produced thirty-two. Australia and Russia, producing in 1884 twenty-one millions and twenty-eight millions of gold, respectively, are our only gold rivals; and Mexico, producing twenty-seven millions of silver, just a little over half of our output, is the only country that can be thought of as our rival in silver. England produces neither silver nor gold, and France but little silver and no gold. The German gold product is insignificant, and its silver product is only about 20 per cent. of our own. But read the appended table and ponder it. It shows that we are van leaders in producing both silver and gold. (See Table B.)

FREE-TRADERS AND PROTECTIONISTS SHOULD ALIKE SUPPORT SILVER.

What fatuity is it that would induce us to deny the gifts which the gods have so liberally provided? "America, do you need money? Then knock at the door of the mine, and it shall be opened unto you;" such seems to me to be the voice of Providence to man.

Ah! But the cry comes, "You want to protect silver." Not so; we only want to give it the fair show that the fathers gave it. We only want to let it have the fair play that it had ere the man "of blood and iron" struck it down, and ere his American copyists followed his example, at a time when this dollar was at a premium of 3 per cent. over its golden rival. We only want to let our nation help itself to the riches which a bountiful Heaven has showered upon us. Free-traders, how can you vote against this bill? Free-money coinage is the very bed-rock principle of your creed; free-money is the life-blood of free trade. Protectionist of American industry, of American labor, how can you vote against it? Your protection passes with your adverse vote to the money of monarchs, to the crowns of kings, to the greed of avarice; it passes away from the American laborer, from the American debtor, from the American mine, to fill the tills of the creditor nations of Europe.

THE SILVER DOLLAR THE ONLY BARRIER BETWEEN THE MONOPOLISTS, THE CONTRACTIONISTS, AND THE PEOPLE.

This silver dollar stands to-day as the only barrier between the people and monopoly and contraction.

Our greenback currency is at a fixed volume of $346,681,016.

Our national-bank currency, which was $362,727,747 in 1882, is now only $315,847,168, and it is rapidly withdrawing.

It decreased $8,284,017 in 1883, $24,170,676 in 1884, and $15,545,461 in 1885—nearly fifty millions in three years.

And where is our gold? Does the laborer ever see its color? Not so. Is it moving among the people? Not so. Here is where it is:

OWNERSHIP IN UNITED STATES OF GOLD COIN AND BULLION.

Treasury	$148,358,100
National banks	156,353,592
State banks, trust companies, and savings-banks	31,255,789
Other banks and private hands	290,766,388
Total	626,733,869

The national banks have a fourth of it. The Treasury has a fourth of it. State banks and trust companies have 5 per cent. of it.

The lesser half remains in "other banks and private hands," but the number of "private hands" is not stated. Fifty-five millions of it is represented by gold certificates in sums of $10,000 cash—what chance is there for these big lumps to circulate among the people?

Yes, the banks control their own circulation and are contracting it.

The Government controls the greenbacks, and successive Secretaries of the Treasury have urged their retirement.

The banks and the Government together control the bulk of the gold and are alike hoarding it.

The world's production of gold is diminishing. In 1850 it was one hundred and fifty-one millions; in 1881 it was one hundred and three millions, while it is now about ninety-five millions. Our domestic production of gold is also diminishing, having fallen from fifty-one millions in 1878 to thirty-two millions in 1882, and to thirty millions in 1883 and 1884.

Silver, and silver alone, remains as the hope of the people, and only by its coinage can they hold their hands upon their metallic circulation and regulate its volume.

CALHOUN'S EXPLANATION OF THE RELATIONS BETWEEN THE VOLUME OF MONEY AND THE VALUES OF PROPERTY.

And here let me quote John C. Calhoun, of South Carolina. He originally opposed the United States Bank, but when its continuance was opposed his love for popular interests overrode all other considerations, and he insisted on its prolongation. I commend his words to the statesmen of his own State as well as to other colleagues. Says Calhoun:

If we turn our attention to the laws which govern the circulation, we shall find one of the most important to be, that as the circulation is increased or diminished, the rest of the property will be decreased or increased in value exactly in the same proportion. To illustrate: If a community should have an aggregate amount of property of $30,000,000, of which one million constitutes its currency, and that one million should be reduced one-tenth part, the value of the rest will be reduced in like manner one-tenth part. And here a very important fact discloses itself, which explains why the currency should be touched with such delicacy, and why stability and uniformity are such essential qualities; I mean that a small absolute reduction of the currency makes a great absolute reduction of the value of the entire property of the community, as we see in the case supposed where a reduction of $100,000 in the currency reduces the aggregate value of the property $3,000,000—a sum thirty times greater than the value of the property. From this results an important consideration.

If we suppose the entire currency to be in the hands of one portion of the community, and the property in the hands of the other portion, the former, by having the currency under their exclusive control, might control the value of all the property in the community, and possess themselves of it at their pleasure.

(See volume 2, Calhoun's Works.)

John Locke enunciated the same general principle, Cernuschi lays it down as a fundamental truth, and political economists recognize it.

The danger which Calhoun prefigured is now before us, and, seeing that the banded owners of gold are seeking to force the evil realization, well might Judge Hughes, in the American Dollar, compare them to a set of ill-mannered guests who, coming to the table and finding game

and bacon and greens upon it, quietly ate the game, and then considering that bacon and greens were not wholesome threw them to the dogs, leaving the rest of the company dinnerless. They have got the gold themselves, and now they insist that the people must not use their own silver.

A PLENTY OF MONEY IN THE BANKS.

In this situation we are told that we do not need more money, and that "there is a plenty of money in the banks." I answer, first, that if this be so free-money coinage will not give us more money, for if there be no demand there will be no stimulus to supply. The illogical status of compulsory coinage lies in the fact that it makes money whether it be wanted or not. But how is it shown that we do not need more money? One representative tells us that the abundance of money in the country is "practically demonstrated by the fact that millions are lying idle to-day with no prospect of early employment." And another says:

At times during the past year there has been a surplus of $64,000,000 over legal reserve in the national banks in New York alone, and frequently call loans were made as low as 2½ per cent., and that money can be had on good collateral from 1 to 3 per cent. interest.

The facts are truly stated, but I read very differently their demonstration. Idle money, greedy for investment in this fresh young Republic, and finding no temptation; idle miners yearning for the pick and spade; idle workshops; idle manufactories; idle acres sunning themselves under the smiling heavens; idle bread and meat stored up without market suffering with so-called overproduction; idle workmen or half-paid workmen eager to toil or toiling with little recompense, and frenzied into almost revolutionary outbursts. Yes, capital idle, and labor idle. But, "All's well," cries the sentinel; "there's a plenty of money in the banks!" The doctor who finds his patient with cold, motionless limbs, and a bursting, apoplectic brain, might as well say, "All's well; there's a plenty of blood in the head." The farmer, looking on parched fields, might as well be comforted by the assurance, "There's a plenty of water in the ocean."

Yes, there is a plenty of idle dollars in the banks, and a plenty of fish in the sea, but how to get them out—that is the question. "Give us good security and you can get it—surely you do not want it for nothing," says the banker. Yes, truly, well said; and I do not blame the banker for saying it. But here is the rub; by that contraction of the currency which followed war, by that contraction of the currency which occurred through European and American demonetization of silver, the prices of agricultural produce and of manufactured merchandise are greatly reduced, the price of labor is held down, the price of property is held down, every thing is pressed downwards but debt. We are upon a reduced and falling market. The paradox is before us of a hungry world in the presence of so-called overproduction. Capital will not invest because it expects to buy cheaper after a while, and timidly shrinking from its own venture prefers to ride on somebody else's venture at almost any rate of interest.

FALL IN PRICES AND VALUES IN THE UNITED STATES.

Mulhall, writing in London in 1885, says:

It may be said that £4 now will buy as much as £6 in 1866, the fall of prices being about 30 per cent., but as regards the United States in particular we find a fall of 46 per cent., namely: from 170 to 91, which is greater than has occurred in any other country. (Mulhall on Prices, page 6.)

Let free money stimulate prices, and rising prices stimulate enterprise and investment, and money will no longer hide in bank vaults. It is not rain in the clouds that refreshes the earth but the rain descending in fertilizing showers. It is not money in the banks that will renew industry but money flowing freely into the channels of commerce and agriculture.

THE SILVER DOLLAR WILL NOT CHEAT THE LABORER BUT GIVE HIM WORK TO DO.

"You will cheat the laborer by paying him a cheap silver dollar," says the gold advocate. Ah! how the monopolists labor to drag in the laborer to plead their cause. Verily, if Dives were among them now we might expect to hear him proclaim that he had always been the best friend of Lazarus. Silver has never hurt the laborer. When the prices of produce are high the labor that produces it is high. Cheap produce, cheap labor, is a proverb. When money is scarce produce is low. When money is plentiful produce is high. Therefore, to increase the price of produce plentiful money is essential; and with plentiful money comes increased price of labor and the employment of more labor.

When did ever a laborer see the color of gold? It is the money of the rich, and it has free coinage. Silver is now the money of the poor; why not stop its coinage? The laborer gets the silver dollar now. What he wants is a chance to get more silver dollars, and he can not get them unless we allow them to be made.

SILVER IN FELLOWSHIP WITH GOLD MAKES A MORE STABLE CURRENCY THAN EITHER METAL ALONE.

"We want a stable currency, and gold alone is the most stable," is another sophism. The silver dollar in conjunction with the gold dollar makes a more stable currency than either metal alone. They are like coterminous foundations, each giving lateral support to the other. They are like two wheels of a cart keeping the body level, and monometallism is like the bicycle, easily losing balance. In commodities we see the same principle illustrated as in the two moneys. If the crop of tea is small and that of coffee abundant people use coffee and keep down the exorbitant price of tea. If wheat is scarce and corn abundant people make bread of corn and reduce extravagant demands for wheat. If silver is scarce and gold abundant, where both may become legal-tender money, the latter prevents stringency in the money market. And *vice versa* now, with gold diminishing in production, and going more largely into the arts than silver, silver is ready to replace it and to keep down its value.

Take away silver as legal tender, and up goes the value of gold. Take away legal-tender capacity from gold, and down goes gold value and up goes silver value. Give the same legal-tender quality to both, and both are attracted to the equatorial line of the legal-tender function.

Of the two metals, Cernuschi thinks silver less fluctuating than gold in value. Jevons says that between 1809 and 1849 gold rose in intrinsic value 145 per cent. Then came the discoveries of gold in California and Australia; gold value fell, and Germany and Belgium demonetized gold. Then again, in later years apprehension of vast silver products in America caused war upon silver, and it was demonetized and declined in value. So it is that each metal is subject to fluctuation, and the greater stability is found in the balancing powers of the two together. This was the view of Rothschild and Baring; this the view of Hamilton and Jefferson; this the principle of our Constitution, and this is the fundamental idea of bimetallism.

THE SILVER DOLLAR THE MOST HONEST OF ALL THE DOLLAR FAMILY.

And now I undertake to say that the silver legal-tender dollar is not only an honest dollar, but, tried by the creeds wrongfully applied to condemn it, has been the only invariably honest dollar, and is now the most honest dollar of all the dollar family. The greenback note is a fiat dollar, pure and simple—the original American rag-baby. The national-bank note is the grandchild of the rag-baby, for it is a paper promise to pay a paper dollar, secured by a paper bond, which bond was originally payable in paper, and is now payable in either silver or gold. The trade-dollar is an impecunious tramp—a Japhet in search of a father; and the father is puzzled when thinking of his disinherited offspring to tell why it is that the interesting youth containing 378 grains of pure metal in his constitution is ever cut out by his legal-tender brother of feebler build in a society that teaches that bullion value is the thing, not legal-tender. And the gold dollar is after all a clipped dollar, shorn of its original proportions in 1834, and yet looking down derisively on the silver dollar and calling it "dishonest."

Startled when the love-mad Moor muttered his foul suspicion that she was not "honest," the gentle Desdemona turned toward him her innocent face, amazed, and said: "Honest, my lord! What's honest?" I pray you, gentlemen, what is honest if this be not an honest dollar?

Conceived in the Constitution, brought forth by the fathers of the Republic, older by nearly three-score years and ten than its golden twin, and older still than the national-bank note or the greenback, counit of our valuations and copillar of our monetary system, nominated in our bonds and the legal redeemer of our paper circulation, real good, hard, shining money fashioned of a metal that has been money ever since dawning civilization learned the mechanism of exchange, and which beat gold in the race of value by 3 per cent. until it was denied its birthright, the same unvarying dollar to-day that it was at its creation, suggested by Jefferson, recommended by Hamilton, approved by Washington, and now, even now, holding up its head at par with gold and circulating as the money of the people—where in this wicked world can honesty be found if not within this circle of 371¼ grains of pure silver stamped with the emblems of our national faith and bearing pledge to all the millions that thirst for its possession that it is in absolute verity one dollar.

WHY NOT HAVE FREE COINAGE OF THE SILVER DOLLAR.

The case is *prima facie* in favor of the free coinage of silver. Why not allow it? What reasons are there against it?

(1) That it will put gold to a premium; (2) that it will contract the currency; (3) that it will drive gold out of the country; (4) that it will subject us to a silver deluge; (5) that it will put us to the use of silver alone as currency; (6) and that it will arrest the movement for an international agreement for coinage at a common ratio—these are the chief reasons assigned. Are they points well taken?

(1) WILL FREE SILVER COINAGE DRIVE GOLD TO A PREMIUM?

First. Will free silver coinage drive gold to a premium? When the right of free coinage is given to silver bullion the value of the bullion will quickly rise to, or approximately to, the value of the dollar into which it can be freely turned. Why? Because a new free use worth a dollar will be made for silver, and with the new use arises the new value which that use imparts.

The Supreme Court of the United States well understood this principle when it declared in the legal-tender cases, 12 Wallace, 543, that "it needed no argument to show that the value of things is in proportion to the uses to which they may be applied." And this is conceded in the strong anti-silver speech of the gentleman from Illinois [Mr. ADAMS], who acknowledges that—

The law of unlimited coinage would, by the creation of a new and highly profitable use for silver bullion, raise its gold price in this country and in Europe.

When what is now 80 cents in silver bullion can freely turn to a dol-

lar at the Mint the bullion will be worth the dollar minus the cost of traffic and transportation. As silver bullion tends upward toward the value of gold bullion the latter will tend downward, because the two metals will share equally in that privilege of free coinage which now being enjoyed by gold alone has given it the value which always follows monopoly and makes monopoly desired. The immediate tendency of free silver coinage is therefore to bring the two metals in closer relations, to abbreviate the 20 per cent. gap between them; and as gold can nowhere in Europe become money at a cheaper rate than it can in America, it is not likely it would be driven to premium, unless indeed spasmodically and briefly.

(2) WILL FREE SILVER COINAGE CONTRACT THE CURRENCY?

In the changed condition of free silver coinage contraction of our currency is not one of the results to be seriously apprehended; and queer it is that the advocates of gold should claim in the same breath that we would lessen our volume of currency by contraction, and at the same time produce a cheap 80-cent dollar. This is a contradiction, for the very evil to be apprehended from contraction is the evil of the dear dollar, low prices, and cheap labor.

The gentleman from South Carolina [Mr. HEMPHILL] is alarmed lest we displace our six hundred millions of gold and have nothing but our less than three hundred millions of silver to go upon.

In such an event—

Says he—

In such an event what is to become of the great debtor class of the country? Has any plan been suggested by which they can make one dollar do the work of four? Gentlemen should pause and reflect on this unless they intend to grind the face of the poor and crush these people to the dust of the earth.

Within these lines is a confession. If the silver dollar will be a cheaper dollar than the gold, will the gentleman from South Carolina explain how it will be harder for the poor debtor class to get it? Does he really think that it will be harder to get a cheap thing than a dear one? Does he really think it will be harder to get eighty cents than a hundred? No, indeed. He abandons his cheap dollar, fiat dollar, and 80-cent dollar argument. He abandons all the outcry that silver will not circulate. And, answering the first half of his own speech by the other half, he changes front to rear and assails free-silver coinage from the standpoint that the silver dollar will be so dear that it will crush the debtor to get it!

Here is the patent fallacy of the arguments against silver. It is forgotten that if gold should in any event pass from circulation it will be just in proportion as silver comes in, and on account of its coming in. It is forgotten that the increasing silver volume is the very thing that will drive away gold, if it be driven away. It is forgotten that if gold goes abroad and the price of silver bullion remains at 80 cents every eight gold dollars that go will bring back the material of ten silver dollars. It is forgotten that if silver bullion and gold bullion go to par the gold dollars loses temptation to depart, and that if it goes every gold dollar will be replaced by a silver dollar. And that if any discrepancy remains in the value of the two metals, it will be a discrepancy that will in any event replace every retiring gold dollar with more than one incoming dollar of silver. It is forgotten that in no event can contraction of the currency ensue, unless spasmodically and briefly at worst; and while the gentleman from South Carolina is apprehending a drought, he forgets that the chief staple of the argument of his associates is that great silvery waves of "teapots, spoons, and tankards" will break upon our shores and produce a freshet. And it is equally remarkable that while South Carolina is proving one day that the decrease of the money volume and the increase of the purchasing power of money will ruin the poor, Massachusetts the next day proves with equal clearness that such a thing is their salvation; and that both want to put down silver—the one because it will in his opinion contract the currency, and the other because he thinks it would indefinitely expand it.

The fact is, the gold men are not a happy family. They answer each other's speeches, and often answer their own before they get through with them. The gentleman from Illinois [Mr. ADAMS], on April 3, proved that high prices would ruin the laborer; while the gentleman from South Carolina [Mr. HEMPHILL] had a little while before proved that it was gold alone that would keep up or create high prices for wheat and cotton—for the things the laborer eats and wears.

(3) WILL SILVER COINAGE DRIVE GOLD OUT OF THE COUNTRY?

Third. It is urged that free silver coinage will drive gold out of the country. We must take this prophecy with some grains of distrust. It is an old customer—a second edition of the old story that limited coinage would drive out gold. In 1878, when the Bland act was proposed for coining at least two millions' worth of silver per month, the wise men of the counting-room and the forum were in hysterics. The business men, whom the able gentleman from New York [Mr. JAMES] considers the best guides, wrung their hands in trepidation. Bankers raised the danger-signal and cried "ruin ahead." Senator Howe related that a Western town was black-listed and refused a loan because its people held silver meetings. A colleague [Mr. BYNUM, of Indiana] reminds me that Senator Wadleigh declared that the cheap silver would drive away dear gold "to other and more enlightened nations and leave us the debased and bulky metal which every progressive nation in Europe has ceased to coin, and which supplies the few and degraded wants of the poor, ignorant millions of Russia, China, India, and Mexico," and that Senator Matthews said "it would keep out of circulation gold coinage as effectually as if gold were prohibited by law."

Such were the prophecies. While yet fresh on the prophets' lips they were refuted in many forms.

THE RESULT OF THE BLAND ACT REFUTING THE PROPHECIES AND THE LESSON OF EXPERIENCE.

The Bland act passed in February, 1878—behold the result!

1. We have coined since then $406,821,813.50 of gold right alongside with $222,885,261 of silver—nearly twice as much of gold as of silver.

2. We have imported since then $183,508,431 of gold in excess of our exports.

3. We have exported since then $68,230,256 of silver in excess of our imports, it being silver that has left us, not gold—the good money driving away what it pleases some to call bad money.

4. Gold to the extent of eighty millions has gladly swapped itself for silver certificates, and was anxious to continue the swap until the Treasury Department stopped the process.

5. The silver dollar has kept at par with the gold dollar even in the purchase of gold bullion.

6. Our present situation contrasted with that of 1878 shows this result in the volume of our metallic currency:

	Gold.	Silver.	Total.
January 1, 1886	$553,810,148	$293,293,872	$847,104,020
January 1, 1878	247,429,570	80,352,328	327,781,898
	306,380,578	212,941,544	519,322,122

Showing a net gain of $306,380,578 gold, $212,941,544 of silver, and a total of $519,322,122 in metallic circulation, whereas during the six years preceding the Bland act (in five of which silver was ostracised) our country had lost by exportation $123,754,210 of gold and $109,010,360 of silver. (Tables C and D, appended.)

Secretary Sherman in the fall of 1878 urged that soon as our silver coinage should reach $50,000,000 it should be stopped. (Report of 1878, page 17.) But we did not stop. On flowed the silver from the Mint; in flowed the gold from abroad; and now, with $553,810,148 of gold, and $212,941,328 of silver, and a considerable subsidiary coinage, we have the President candidly conceding that—

There is certainly not enough silver now in circulation to cause uneasiness; and the whole amount coined and now on hand might, after a time, be absorbed by the people without apprehension; but it is a ceaseless stream that threatens to overflow the land which causes fear and uncertainty.

THE OVERTHROW OF THE PROFESSIONAL ECONOMISTS AND THE PROPHETS.

These results, so utterly contradicting the theories of professional political economists, of our official guides, of financial experts and teachers, and of political leaders who represented a large school of thinkers, at least warns us that the learned and great who strive for monopoly of gold have not yet gotten a patent right to monopoly of wisdom. Many of them, I doubt not, were sincere and honest in their predictions; but whatever their animus there must be some great currents of influence at work that escaped their detection, some laws that they did not recognize, some facts not embraced in the scope of their vision. Be this as it may, we can not look for guidance to the prolific parents of so many and of such prodigious errors. Of necessity we must think out and act out our own salvation, for the sign-boards are all down, the divining rods are broken, and we must blaze our own paths in this wilderness of contention, remembering that—

Knowledge and wisdom, far from being one,
Have oftimes no connection. Knowledge dwells
In minds replete with thoughts of other men,
Wisdom in minds attentive to their own.

WHAT IF BALANCE OF TRADE AGAINST US TAKE GOLD AWAY FROM US?

The gentleman from Maryland [Mr. FINDLAY] is alarmed lest if we coin silver freely gold should flow away from us "on the ebb tide of failing exchange." Undoubtedly gold will leave us if we lose the favorable balance of trade with gold-standard nations; but this must inevitably happen whether we coin silver or not. It is an independent fact which suspension of silver coinage could not prevent, and which free silver coinage can not produce. The balance of trade with China is $10,000,000 per annum against us, and, China being a silver nation, silver can pay that balance. But if our balances with England and Germany, which are gold-using nations, should be in their favor nothing could keep our gold from going away to pay them.

ADVERSE BALANCE OF TRADE TOOK GOLD FROM US FROM 1820 TO 1834.

And here let me call attention to the fact that it was an adverse trade balance with England, which had just adopted the single gold standard, that took gold away from us from 1820 to 1834; not the Gresham law, as the gold monometallists have argued. I can find no recognition of this fact by even so able an author as Laughlin; and the failure to remark it shows how political economists overlook sometimes the true causes of events. I have obtained from the Bureau of Statistics a table

which demonstrates my assertion, and I commend it to the perusal of our opponents.

Statement showing the exports from and the imports into the United States to and from Great Britain and Ireland during the years ending September 30, 1821 *to* 1834, *inclusive.*

MERCHANDISE.

Year ending September 30—	Exports.			Imports.	Excess of—	
	Domestic.	Foreign.	Total.		Exports.	Imports.
1821	$18,634,134	$209,488	$18,843,622	$24,438,896		$5,595,274
1822	23,458,136	243,993	23,702,129	34,698,398		10,996,269
1823	20,840,717	660,590	21,501,307	27,644,894		6,143,587
1824	20,328,592	979,475	21,308,067	27,937,315		6,629,248
1825	35,043,466	1,756,246	36,799,712	36,626,958	$172,754	
1826	20,287,674	1,006,126	21,293,800	26,009,753		4,715,953
1827	25,477,710	714,495	26,192,205	30,252,502		4,060,297
1828	19,549,237	659,223	20,208,460	32,790,238		12,581,778
1829	22,504,377	1,173,483	23,677,860	25,239,663		1,561,803
1830	25,479,764	717,205	26,196,969	24,374,983	1,821,986	
1831	29,990,795	757,363	30,748,158	43,962,887		13,214,729
1832	27,034,398	1,787,823	28,822,221	36,837,626		8,015,405
1833	30,889,624	1,473,582	32,363,206	37,813,421		5,450,215
1834	41,208,393	3,003,434	44,211,827	41,433,294	2,778,533	

GOLD AND SILVER COIN AND BULLION.

1821		$1,933,858	$1,933,858	$648,212	$1,285,646	
1822		796,218	796,218	107,889	688,329	
1823		365,632	365,632	290,247	75,385	
1824		312,112	312,112	151,002	161,110	
1825		303,266	303,266	86,288	216,978	
1826	$125,542	572,533	698,075	122,216	575,859	
1827	10,000	190,101	200,101	34,611	165,490	
1828	542,434	2,309,775	2,852,209	20,972	2,831,237	
1829		613,833	613,833	39,826	574,007	
1830	20,154	112,229	132,383	144,231		11,848
1831	625,718	1,615,643	2,241,361	130,830	2,110,531	
1832	876,481	1,112,293	1,988,774	83,639	1,905,135	
1833		244	244	32,403		32,159
1834		270	270	5,809,513		5,809,243

WHAT WILL FILL THE GAP IF ADVERSE TRADE BALANCE TAKES GOLD FROM US?

More important is it to inquire now what will fill the gap if "the ebb tide of failing exchange" takes gold from us?

With the greenbacks at a fixed volume, and with the national-bank currency already on the ebb tide of retirement, what would follow if there be nothing to fill it? A tight money market, a contracted currency, a wreck of industry, the protest of debts, panic, bankruptcy, ruin.

In such event of balances of trade against us there would arise the very contingency in which the double standard gives stability to currency. In such event silver, and silver alone, could come to the rescue and save the land from scenes of destitution; perhaps from scenes the like of which were not long since witnessed in Pittsburgh, and are now threatening in Kansas, Arkansas, Texas, and Missouri.

THE GRESHAM LAW AND SOME OTHER LAWS—CENTRIFUGAL AND CENTRIPETAL FORCES OPERATING ON MONEY.

Suppose, however, that the balance of foreign trade continues in our favor, what then will take gold away from us? Certainly it will not go gratuitously. Perhaps it may be hoarded. To some extent it is already hoarded. But hoarded money is not lost money. It is like a reserve corps on a field of battle, ever ready to come into action if necessity arises. The hoarded money of the French peasant saved France from the German grip.

But the Gresham law, so called, will carry it off, it is said. What is the Gresham law? Nothing but the tendency, explained by Sir Thomas Gresham, founder of the royal exchange, of bad money to drive out good money; of the inferior to expel the superior currency. Gentlemen speak of it here as if it were the one inexorable and inflexible law in which finance lives, moves, and has its being. But it is a mere tendency, subject to the counteracting influences of other tendencies, subject to be repelled by countervailing forces. It was a saying of Jean Jacques Rousseau that "we seldom observe once things which happen many times daily."

Many times daily he that hath eyes to see can see that the Gresham law is now in our own country countervailed and intercepted from operation upon four different species of currency. Gold is our best money, that I concede, and here is gold to the extent of over five hundred millions in circulation at par, while the inferior moneys—(1) silver of 371¼ grains to the extent of over two hundred millions, (2) greenbacks of no grains to the extent of three hundred and forty-six millions, (3) national-bank notes of no grains to the extent of three hundred and fifteen millions, and (4) subsidiary coinage of 359.6 grains to the extent of seventy-five millions, in all nearly one thousand millions of inferior money—are not driving the superior gold away but attracting it in a continuous stream to our shores. Where is your Gresham law? Evidently its force is negative and counteracted by some superior force. Evidently the centripetal tendency of the superior money to seek retirement or a foreign market under the Gresham law has some centripetal and stronger power overwhelming it. Evidently there are other laws than those promulgated by Gresham. What are they? Are there not laws of money—

1. That it tends to the place which offers safest investment at highest profit.

2. That legal-tender equality of moneys tends to keep the different kinds at par.

3. That as long as the volume of taxation by which the inferior species may be used as effectually as the superior, and the volume of debt which the inferior may pay, are sufficient to keep money in high demand for tax and debt payment, the difference in intrinsic values is submerged in tax and debt paying equality.

These are laws of money, and they have buried the Gresham law out of sight in the United States, and in France also.

FORCES THAT TEND TO KEEP ALL OUR MONEY AT HOME AND AT PAR.

We have a powerful centripetal force in this country so far overlooked or little noticed in this debate, a home-keeping money force that holds on to money as the loadstone to the metallic particles that touch it, and a par-making money force that lifts even the worthless paper, valueless in itself as "the sere and yellow leaf" of autumn, up to the value-level of the yellow gold. Gentlemen in this debate have regarded money in its two functions as (1) standard of valuations and (2) medium of exchange as if this brief analysis exhausted its functions. It has a third function—legal-tender capacity to pay debts and taxes.

LEGAL-TENDER CAPACITY THE ONLY ABSOLUTE VALUE OF MONEY.

This third function gives to money its only absolute value. Without it money has only relative value. That is to say, without it what can you do with a dollar? You can not eat it or drink it or wear it, nor can you get anything for it unless somebody else consents to part with their property or labor for it. As standard of value it can not help you by your will alone. As medium of exchange it can not help you by your will alone, for even as to gold it takes two to make a bargain. But there is one thing that you can do with it by your will alone—you can pay a dollar of debt with a dollar, you can extinguish a dollar of taxes with it, and this is money's sole absolute value.

There follows this principle that the whole volume of debt and taxes in any country constitutes a redemption agency for every dollar, and every tax-gatherer and every creditor is a redemption agent.

We pay annually to the Federal Government in taxes some $300,000,000, and over that amount to the States and their municipal subdivisions. In 1880 the aggregate tax of every man, woman, and child in the United States was $12.59, and in 1885 it was $11.45 per capita. The following table tells its own story:

Statement showing the amount of taxation, State and Federal, in the United States in the year ended June, 1880; *also the average tax per head of the population in that year.*

Sources.	Amount of receipts or taxation.	Per capita.	Population.	Per centage to the whole.
Federal:				
Customs receipts	$186,522,064	$3 72	50,155,783	
Internal revenue	124,009,374	2 48		
Other sources	8,162,871	6		
Total	318,694,309	6 36		50.52
State, municipal, &c	312,750,721	6 23		49.48
Total	631,445,030	12 59		100.00

TAXATION IN YEAR ENDED JUNE, 1885.

Federal—from all sources	$298,192,693	$5 22	*57,093,000	45.59
State and municipal, estimated, per capita (same as in 1880)		6 23		54.41
Total		11 45		100.00

*Estimated.

PROFESSOR LAUGHLIN'S THEORY AND ITS PROPER SCOPE.

And I shall refer to a distinguished authority to explain the significance this table possesses. Professor Laughlin, of Harvard University, has written a very able work on bimetallism. It is recognized as such, and its author is not an advocate of free silver coinage. But he gives his views clearly and strongly, and here is what he says as to the Bland act:

Another fact which maintains the silver dollar at par with gold, and which is of considerable importance, arises from the provision of the act which authorizes the issue of silver certificates. Any person having not less than ten of the Bland dollars may deposit them with any assistant treasurer and receive therefor a certificate which, in size and appearance, closely resembles a United States note. The important consideration, however (and, to my mind, one of the most important provisions of the act), is that these certificates, in the words of the statute, "shall be receivable for customs, taxes, and all public dues."

This is a species of daily redemption of the silver dollar; for as gold has hitherto been required (as it was during and since the war) in payment of customs now that silver dollars are receivable equally with gold for that purpose they must remain at par with gold until there is forced upon the circulation more

than is necessary for such uses. If silver dollars alone had been made receivable for customs and taxes their weight and inconvenience in large payments would have restricted their use, but the silver certificates remove all objections based merely on their weight.

So long, therefore—

Significantly he adds:

So long, therefore, as the silver dollars which get out of the United State Treasury are in quantity sufficient to satisfy only the needs caused by the absence of small notes, and the sums demanded to pay customs and taxes, there is no reason why they should depreciate in value any more than the silver subsidiary coins should depreciate.—*Bimetallism, by Laughlin*, page 206.

The Professor is not quite broad enough in his view. He should have added that private debt-paying is just as efficient a redemption of the dollar to its holder as public debt-paying, for therein the holder gets its par value.

And it follows on his own principle that as long as the silver dollars are in quantity sufficient to satisfy only the needs caused by the absence of small notes, and the sums demanded to pay customs, Federal taxes, State taxes, municipal taxes, and public and private debts outstanding, there is no reason why they should depreciate in value.

THE LESSON TAUGHT BY FRANCE.

France realizes this to-day with her nine hundred millions of gold, and her six hundred millions of silver at 15½ ratio, all at par—the gold kept at home and the silver kept at par by the vast French debts. And here is America, with a greater population and greater resources, and eighteen times more territory, shivering with solicitude with not half as much 16-ratio silver in circulation, and with not two-thirds the amount of gold. France has taught us another lesson. Germany stripped her of one thousand millions of gold and went to a gold standard. France had little but silver to stick to, and stuck to it. With what result? Germany has now but $342,000 of gold to the nine hundred millions of France, and but $214,000,000 of silver to France's $600,000,000. So it will be seen that the French silver has drained Germany even of her gold. And Gresham is as much out in the cold in France as he is here.

4. ARE WE IN DANGER OF A SILVER DELUGE? AND DID EVER A COUNTRY PERISH OR PINE FROM INUNDATION OF EITHER OF THE PRECIOUS METALS?

Fourth. Some gentlemen apprehend a silver deluge if we coin silver freely.

In the long list of nations bankrupted, revolutionized, or ruined, I search history in vain for the name of one that was drowned in an inundation of either of the precious metals. Has anybody here ever heard of such a nation? The Roman Empire, as Alison thinks, went down for the want of them, but where was the land, empire, or republic that was ruined by either a gold or a silver deluge? I heard one gentleman deriding the poor old confederate note the other day and comparing it to the silver dollar. It made me prick my ears, for my reminiscences had led me to believe that it was the remoteness of that note from the hope of ever getting in sight of a solid dollar that remitted it to the "tomb of the Capulets," and not its similitude thereto. And it was also my impression that a certain "fiat" dollar, commonly called greenback, had something to do with it. But let it rest. There was not enough silver in the confederacy to tinge its edges—

NO INUNDATING FOUNTAIN OF SILVER LIKELY TO SPRING FROM THE MINES.

But where, let me ask, is the silver deluge to come from? Silver does not grow on trees or fall upon the earth from cloudland. It descends not mysteriously, like manna, nor have we anywhere a Moses to smite, or a Horeb's rock to be smitten, for its gushing fountains. Brain and brawn must delve for it; in the sweat of man's brow and in the toil of his hands it comes forth from earth's recesses.

The world's output of silver in 1884 was $115,147,878, of which $90,039,443 was coined. Of gold there was produced $95,292,369, and $99,459,240 of gold was coined.

It is estimated at the Mint that thirty-five millions of silver and ninety-five millions of gold are annually consumed in the arts. So that out of the annual product there is no gold left to sustain the world's coinage of one hundred millions; and but eighty millions of silver left to sustain a coinage of ninety millions.

THE WORLD OUTSIDE OF AMERICA NOW DRAWING ON ITS SILVER RESERVES.

There can then be no fountains of silver in the earth yet found which are likely to inundate us; and obviously too the world outside of America is even now drawing on its silver reserves in whatever form they exist. Our danger does not threaten in the form of a silver freshet, but in the form of a gold drought. While we sent abroad last year to meet the demands of foreign markets seventeen millions of silver in excess of imports, our neighbor, Mexico, produced twenty-nine millions, coined twenty millions, and exported thirty-one millions (see report of the Director of the Mint, page 46), while she imported practically no silver, showing the tendency of the silver stream eastward. Nor was this an exceptional tendency. During a period of twenty-three years India and China absorbed three hundred and eighty millions of silver, or sixteen and a half millions per annum, say 42,000 tons in twenty-three years. In the same interval the world produced 44,000 tons, from which, deducting 3,000 for wear and tear, the net product was 41,000 tons. Thus it appears (as calculated by Mulhall) that India and China alone have taken since 1860 more than the total product of the mines. And the absorption still continues.

NO INUNDATION OF SILVER LIKELY TO COME FROM THE COINED SILVER OF OTHER NATIONS.

It is not at all likely that silver will flow to us from the coined silver of other nations for the simple reason that it would have to pay a premium to convert itself into our dollars. It requires more silver to make money in the United States than in any country of Europe, and those who call our coin "light weight" forget that it is heavier weight than the silver legal-tender gold-par coin of any European or Eastern nation. British India has $1,125,000 of legal-tender silver, and European nations have $954,880,000 of legal-tender silver; and Great Britain has nearly a hundred million of subsidiary silver coin. This vast bulk of over two thousand millions of silver is coined at a ratio to gold less than that of our own silver dollar. The total silver money of the world in 1883 was $2,754,611,080, as reported by the Director of the Mint, and since then over $200,000,000 has been coined, Mexico alone coins it at a higher ratio to gold than the United States.

The Latin Union has in legal-tender silver coin: France, $520,567,800; Belgium, $51,378,200; Italy, $36,837,200; Switzerland, $9,694,000, and Greece (estimated), $2,000,000—over six hundred millions—all coined at the ratio of 15½ to 1 of gold. Germany coined in marks the equivalent of $114,319,000, in 1884, at lower rates than ours—1 to 13. Great Britain had in circulation in 1885 $96,731,420, coined at the ratio of 1 to 14. (As to ratios of coinage see appended Table E.)

The $954,000,000 of European silver coin could not convert itself into our silver dollar without a loss of about 3 per cent. in monetary value, or of about $29,000,000. The silver deluge is not likely then to come upon us from this quarter.

WHERE MAY THE SILVER DELUGE COME FROM?

Where, then, let us ask, is the silver deluge to come from? The German "dump" is ended, the demonetized silver has been scattered, the depressing power is well-nigh done. It must come from the world's old stock of silver, if at all—from the "old teapots, spoons, and tankards" which figured in the evil forebodings of the gentleman from Massachusetts [Governor LONG] as if they were "gorgons, hydras, and chimeras dire." In 1850 the world's stock of silver was thirty times the weight of its stock of gold, whereas it is now but nineteen times. And while no one can say that the terrible "teapots, spoons, and tankards" will not invade us, is it not reasonable to calculate that while the world outside of America is now and has long been using up the old silver stock there is not such a vast basin or reservoir anywhere on tap as to break forth upon us in fatal and uncontrollable waves.

Undoubtedly there would be a great tendency of foreign silver to America if silver bullion in London remained at 80 per cent. discount. But with the price raised in America it would rise everywhere; and with the rising price there would be a changed condition, tending to check rather than to stimulate the stream in this direction. Certainly, however, we would be with free-silver coinage open to the vast increase of our silver money. We might coin fifty millions, perhaps more, per annum. Gold might, and probably would, in considerable amounts go abroad to purchase silver; our American mines would be stimulated, flush silver times would come, we might in a few years have one thousand millions of silver dollars, and in anticipation we must squarely face the problem. What then?

(5) WILL WE BE THROWN UPON A SILVER SCHEDULE? IF SO, WHAT THEN?

With a flush stream of silver money these are the natural results to be anticipated:

1. Rising prices of commodities, and of all products of agriculture and manufacture.

2. The utility of silver as one of the resources for the redemption of our prodigious sum of public and private debts being established, its value would be permanently lifted to the par of the dollar.

3. Gold would not command a premium if operated upon only by domestic influences. We produce but thirty millions of gold per annum and a third more of silver, and part of the gold would probably continue to go into coinage side by side with silver as it does now.

4. There would probably be a foreign demand for gold to purchase silver bullion, and some gold would go away on that mission; but with stimulated enterprise and industry in America and rising prices much would stay to buy silver bullion here and for investments, and to meet gold obligations of individuals and corporations to their creditors.

5. Gold would not be likely to go abroad for coinage purposes in any considerable amounts, because gold can be made money in America at a cheaper rate than at any European mint. But as no European mint is freely open to silver, and many mints are freely open to gold, silver has not the free competition with gold abroad as it would have here. Hence some gold might go abroad for coinage purposes.

6. If the United States conclude to pay its creditors in silver coin, as we have unquestionable right to do, there is not a bond that would not get a better medium in payment than the original contract called for, nor one that could by any reasonable possibility fall below par value. Therefore public credit could not suffer either in name or substance. I have no sympathy with that pseudo and pharisaical morality that in the

name of public credit would pay more than is due to the powerful, and deny what is their due to the masses. It is unmanly and unrepublican.

7. If the "United States preferred to continue to pay its bondholders in gold we could better afford to do it, even paying a premium for the gold, than to deny to this silver-producing and debt-ridden people the right to coin silver for their general uses. The disadvantage of refusal to let silver become money is greater than that of paying the few millions that would at the worst be needful to pay the bonds in gold.

These seem to me to be reasonable speculations. But the fate of the financial prophets of this generation warns me against dogmatism. Prophecy is not one of the exact sciences. It is the unexpected that happens in financial politics as well as in all other phases of political projection. And as we must forecast the worst, the worst anticipation of the enemies of silver is that the United States would become the user of but one metal as money, and that metal would be silver. Hence it is said that we who uphold free silver coinage are at heart silver monometallists.

WHAT IF WE BECOME THE USER OF SILVER AS OUR SOLE METAL MONEY?—NO DANGER OF MONOMETALLISM.

Confronting the possibility of being thrown to the use of silver as our sole metal money, we ask what then? First it may be replied that were this to happen it would not make the United States a monometallic nation, nor those of us who are for free silver monometallists. Bimetallism consists in the freedom of coinage of both metals and the free use of either or both as money, as circumstances dictate. The transient use of one only does not eliminate bimetallism nor destroy its benefits; nor is it by any means the frightful evil which some would have us believe.

With free coinage laws the United States was on the sole-silver schedule from 1820 to 1834; and thereafter for a while on the sole gold schedule.

During neither period did we retrograde as a nation. By far the largest portion of the world's inhabitants are to-day operating on the silver basis—no less than some eight hundred millions of people. And let no one suppose that if we were to run temporarily on silver alone we would suffer the stringency and instability of monometallism. Our mint would be open to free coinage of gold; our mines to free digging for gold; our ports to free entry of gold. The first touch of stringency would start mine, mint, and incoming ship to give us gold. The gold reserves would rush to the re-enforcement of silver. With free bimetallic laws upon our statute-books, we would remain within the pale of bimetallic forces and bimetallic beneficence.

THE SILVER DELUGE A BUGBEAR.

The upshot of it is, that if we prospered with gold and silver in easy relations gold would stay with us, and if, at the worst, gold went away silver would more than replace it, in an appreciated form, and gold would return if there were need for it. The silver-deluge delusion then should have no terrors for us. Would indeed that such a deluge could come, and would come quickly; that the fountains of the silver deep would break upon us, and that the windows of the silver heavens would open! How the parched debt-ridden earth would drink the refreshing showers! How nature would clap her hands with joy! Find us the land that was ever submerged in such a deluge, and methinks you will find the graves of men who were choked to death with butter. It is a bugbear—this silver deluge—"to fright the souls of fearful adversaries;" no more.

THE COINAGE OF SILVER NECESSARY TO MEASURE RELATIVE VALUES OF GOLD AND SILVER.

At the least it may be claimed indisputably that the free coinage of silver by the United States will disclose the true relations of the two metals. And if it be true that there is a gap between their bullion values at the present ratio of 16 to 1, free coinage will show how broad that gap is. It is folly now to talk of bringing gold and silver bullion in perfect parity by putting more silver in the dollar, because you measure the gold bullion as appreciated by the free coinage of leading nations, and measure silver while denied a status on the same plane. A dwarf on the shoulders of a giant may be higher than the giant himself. The two metals must stand as nearly as we can make them stand on the same level before their relative measurement can be made. And the first step to the restoration of bimetallism is to admit silver to free coinage and then deal with the discrepancies in bullion values, if such discrepancies still appear.

(6) WILL FREE SILVER COINAGE IN THE UNITED STATES RETARD AN INTERNATIONAL AGREEMENT FOR COINAGE AT A COMMON RATIO WITH GOLD?

The great objective point of sincere bimetallists is to secure the free coinage of silver by leading nations at a common ratio with gold, thus restoring silver to its place in the money kingdom. Some of them argue that if the United States continues to coin compulsorily under the Bland act it will retard progress to the end in view, and that if free coinage is authorized it will be fatal to the hoped-for international agreement. Such men as Cernuschi, in France, and S. Dana Horton, in the United States, thus argue; and the theory of this view was recently presented to us with conspicuous ability by the gentleman from New York [Mr. JAMES]. His speech, I am frank to say, contains a powerful argument against this bill; but I do not think the reasons set forth are by any means unanswerable.

The gist of it is that sentiment in Europe is crystallizing for the restoration of silver; that the agriculturists of Germany are moving for it; that statesmen and thinkers in England, France, and other countries, as well as the industrial classes, are doing likewise; and that if we continue to coin at 16 to 1 while the European ratio is 15½ to 1 we will retard international agreement in two ways: First, by giving Europe a market for surplus silver, and, second, by increasing the body of metal money which is on a different scale from that fixed in France and other countries. If, it is contended, we will stop coining and wait for a "hands all round" silver movement, a European glut of silver bullion will be created; it will find no outlet, and a money drought will ere long force Europe to terms. All this is plausible, I may say cogent, but I think it is outweighed by many momentous considerations.

(1) SUSPENSION OF COINAGE WILL FURTHER DEPRECIATE SILVER.

If we stop silver coinage silver will be further depreciated. So Mulhall thinks, and so think the best minds that have dealt with this subject. So, also, experience teaches. Defeat silver here, and while the practical effect will be to lower its price the moral effect will be to discourage bimetallism and give a victory to the gold monometallists the world over. Whatever appreciates silver tends to its remonetization. Is it not more likely that if we appreciate it by free coinage other nations will follow our example than if we follow their example in demonetizing and kicking it out? The gold monometallists see this and they are all for suspension of silver coinage.

(2) INTERNATIONAL AGREEMENT TOO VAGUE AND INDEFINITE.

The hope of international agreement is too vague, indefinite, and distant. Great bodies move slowly. To move groups of nations without affinities requires tremendous leverage, and must be the work of years. Their jealousies and rivalries impede all efforts at unanimity.

(3) INTERNATIONAL CONFERENCES HAVE TWICE FAILED.

We had an international conference in Paris in 1878 to promote an international agreement—a conference recommended by the Bland bill—and were ably represented by Reuben E. Fenton of New York, William S. Groesbeck of Ohio, Francis A. Walker of Massachusetts, and S. Dana Horton of Ohio. It accumulated much learning on the subject; it debated like the House of Representatives in Committee of the Whole on the state of the Union, and it ended in discussion.

There was another international conference in Paris for the same purpose in 1881, and we were there represented by William M. Evarts, Allen G. Thurman, Timothy O. Howe, and S. Dana Horton; and the second conference was, in effect, the duplicate of the first.

Eight years have rolled by, and now we are told to wait and have another conference. What other nations are asking for it? Who is working for it here? When will it come about? What guarantee is there of its success? Meanwhile our interests are suffering. And while it is true that sentiment is increasing in favor of silver it is also true that popular sentiment never was against it, and that the money monarchs of Europe and America are adepts in repressing sentiment and postponing its results.

(4) THE DIFFICULTY NOT LESSENED BY DELAY.

But, it is answered, the European ratio is generally 15½ to 1, while ours is 16 to 1; and if we keep making dollars at our ratio we will find it so much more difficult to get to a common ratio. It can not become any more difficult than it is now. We have tried it twice without free coinage, why not try it once with free coinage? If we come to an international agreement it is generally argued that we must adopt the prevailing European ratio of 15½ to 1.

This being so, let me ask is it likely that when our adversaries in the United States are insisting on putting more silver in the dollar they will come to us when we propose in conjunction with others to put less and turn our dollar of 371.25 grains into a light-weight dollar of 359.91 grains? Were that proposition made, we might anticipate a cry from the gold men that would rival the voice of Bedlam. Nor would it be without an element of justice. We would have to cheapen the silver dollar and give our creditors less than that piece of silver of a prescribed quantity and quality that we contracted to pay them. Nothing but necessity could justify such an act. Furthermore, if we are waiting to get down to the European silver ratio, we are waiting for an event that will be more likely to precipitate silver to us than will coinage at our present ratio. European coins could then turn into American coins without loss, and without cost save that of transportation, whereas now they must pay that cost and pad themselves with 3 per cent. more of silver.

(5) NO SUCH THING AS INTERNATIONAL MONEY; WE CAN NOT AFFORD TO WAIT FOR IT OR ITS APPROXIMATE.

We can not afford to wait until "to-morrow, and to-morrow, and to-morrow, creeps in its petty pace from day to day," from year to year, from decade to decade, from generation to generation, for that new departure which involves many complexities, disturbs local customs, and is confronted with many difficulties. Civilization has as yet evolved no international money, and the coins of one nation circulate but little in another; and international agreement has no existence save among small groups of nations. English gold coin is 916 fine; Egyptian, 875; Austrian, 986; French, German, and American, 900. When international agreement comes it will be far-reaching, and in the fullness of time I

doubt not it will come. And I believe that the universal coin will become the first link in the formation of that universal nation that has been dreamed of by the dreamers of great dreams. But we can not wait for it or its germ, and I fear that to do so would imitate somewhat the example of the swain who sat by the side of the stream waiting for it to flow by.

NOW IS THE OPPORTUNITY OF THE UNITED STATES.

Here and now is the opportunity of the United States. While Europe is wrestling over gold, suffering from the banishment of silver, and far more seriously threatened than we are by labor dissensions, strikes, anarchism, and revolution; while standing armies are as ever eating at her vitals, and the spirit of money caste is, as it supposes, fortifying itself behind gold monometallism, ours is the opportunity to seize upon the artificially depreciated silver, and by commanding it in such free and unlimited quantities as we desire to restore its value and appropriate to ourselves the greater part of that value so restored. Leading European nations rejecting silver when it was at a premium above gold made "a corner" in gold. We, reversing their example, may make "a corner" in silver and at the same time protect ourselves from ihe reactionary evils of monometallism which they suffered by preserving in full force our bimetallic laws for the free coinage of gold as well as silver.

Let us not be deterred by the appeal to vain pride that we will rank ourselves with "India and the heathen Chinee." This movement can not be belittled by such rhetoric. The heathen Chinee, nearly four hundred million strong, is at least able with his sole silver basis to draw an annual tribute of $10,000,000 from our boasted so-called "gold unit" enlightenment. The balance of trade is to that extent in his favor; and "the heathen Chinee" is quietly putting our money in his purse while we are boasting of our superior enlightenment, and of our superior knowledge of the game "he does not understand." India, with her silver rupees, is building railroads, opening new cotton and wheat fields, and the men of the South and of the great grain-growing West behold her gigantic shadow already looming up over their Eastern markets.

We should copy England's independence, not her special acts fitted to her own condition. Nor let us fancy that we would be doing a great thing in imitating, as some would have us do, such foremost nations as England with their finances based on gold. England is acting according to her situation and the genius of her institutions. Let us consider ours. England founds her prosperity on money caste and conquest, on monopoly and the bayonet. We seek to establish ours on liberty, equality, and fraternity—lifting up, not repressing, the popular interests and aspirations. England is a creditor nation, drawing into her coffers annually $500,000,000 from her carrying trade and from foreign investments.

Ours is a debtor nation in the reverse attitude. England does not produce silver, while we produce more each year than all the nations of Europe put together. Think you if England were situated as we are she would listen to such pleas as we have made to us; that she would spurn the money metal stored in her own mines and pay tribute to other nations in copying their schemes of self-aggrandizement? No; she would rather make herself a silver monometallist nation and bring other nations to her silver footstool. The independence of her statesmanship, its bold, self-reliant, self-assertive, far-reaching spirit—this has made her great. And this is what I would have the United States to imitate; not the shapes of policy which subserve English interests, but which would be futile if not fatal if pursued as to our own. And as England is commended to us by some of our friends on the other side of the House, I am tempted to ask, What England do they refer to? When I studied geography there was but one England, but in this debate at least two Englands have come in view. To which do they refer; the England whose people are withering, and whose pauper labor, as they paint it, is starving, dying, rotting and rioting under "the curses of free trade," or the merry England happy and prosperous as in "the spacious days of Queen Elizabeth" enrobed in yellow gold? Imitate England? Indeed! Behold a new song is in the mouth of New England, which would have us protect everything she manufactures against free-trade Old England, but would have us also imitate that same Old England in sticking close to gold albeit we do not thereby "protect," but throw to the dogs those bounteous provisions of silver which Providence has stored up for us.

AN AMERICAN POLICY AND FREE SILVER MONEY NEEDED.

England boldly launched forth in 1816, alone among the great nations, upon the single gold standard. She did not say "wait," but acted. We may with greater safety and conservatism preserve our free-gold coinage, and launch forth, without waiting for others, upon free-silver coinage.

Nothing but the combined greed and timidity of capital restrains the experiment. But if Columbus had been a great capitalist he would never have discovered America; and if we listen solely to the voices of great capitalists we will never save it from monopoly and money rule.

England has an English policy. What we need is an American policy equally independent. Macaulay has said in a fine essay that the way for governments to treat peoples struggling for liberty is to give them more liberty. It is with the moneys of peoples in some respects as with themselves.

Restrictions create false conditions, which defy analysis, refute prophecy, and confound the wisdom of the wise. Restrictions upon silver coinage are now by almost universal acknowledgment the most potent causes of financial perturbations in Europe and America alike. To give free play to natural laws, to give greater liberty to money, is the first step of the renovating and remolding process. I am, therefore, for the free coinage of silver, and for the application of the philosophical principle which Jevons enunciates in the conclusion of his able work on the Mechanism of Exchange, by saying:

> The only method of regulating the amount of the currency is to leave it at perfect freedom to regulate itself. Money must find its own level like water, and flow in and out of a country according to fluctuations of commerce, which no government can foresee or prevent.

That we will encounter difficulties in carrying out this great movement I do not question. When great wrongs have been done and great errors committed there is always difficulty in righting them. But with free coinage of silver established we will know how to measure the difficulty and how to deal with it. When we were but three millions of feeble folk, with little store of iron, lead, silver, or gold, we did not hesitate to grapple with British power, with a result of which the world has taken notice. Now that we are nearly sixty millions of the strongest and richest and most hopeful and high-spirited of all the peoples of the earth, I for one do not feel that we should shrink from the contest with England and her allies for the restoration and ascendancy of that metal with which our interests are identified. I would welcome the encounter, not evade it, and I have confidence that the resources, the genius, and the courage of America are equal to its successful issue.

APPENDIX.

TABLE B.—*Showing the world's annual product of silver and gold.*

Countries.	1882.		1883.		1884.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
United States	$32,500,000	$16,800,000	$30,000,000	$46,200,000	$30,800,000	$48,800,000
Russia	23,867,935	323,427	23,867,935	323,427	21,818,304	388,000
Australia	28,943,217	102,878	26,500,000	89,418	28,551,101	115,960
Mexico	936,223	29,237,798	955,639	29,568,576	1,183,137	27,257,885
Germany	249,890	8,934,652	303,722	9,589,300	368,853	10,311,659
Austria-Hungary	1,050,068	1,958,224	1,088,615	2,024,645	1,101,707	2,054,070
Sweden	11,298	62,350	24,590	65,800	12,627	75,472
Norway	.....	244,954	.....	234,645	.....	265,490
Italy	72,375	17,949	72,375	17,919	72,375	17,949
Spain	.....	3,096,220	.....	3,096,220	.....	148,000
Turkey	6,646	89,916	6,646	89,916	6,646	89,916
Argentine Republic	78,546	420,225	78,546	420,225	78,546	420,225
Colombia	3,856,000	760,000	3,856,000	760,000	3,856,000	760,000
Bolivia	72,375	11,000,000	72,375	16,000,000	72,375	16,000,000
Chili	163,000	5,325,000	163,000	5,325,000	163,000	5,325,000
Brazil	741,694	.....	632,520	.....	632,520	.....
Japan	632,520	877,772	170,270	877,772	170,270	877,772
Africa	1,993,800	.....	1,993,800	.....	1,993,800	.....
Venezuela	2,595,077	.....	3,338,058	.....	3,338,058	.....
Dominion of Canada	1,094,926	68,205	954,000	68,205	954,000	68,205
France	.....	594,053	.....	264,275	.....	264,275
Peru	119,250	1,908,000	119,250	1,908,000	119,250	1,908,000
Total	98,948,840	111,821,623	94,197,341	116,923,373	95,292,569	115,147,878

TABLE A.—*Statement of the Director of the Mint showing ownership and amount of gold and silver coin and bullion in the United States, January* 1, 1886.

Ownership.	Bullion.			Coin.			Bullion and coin.		
	Gold.	Silver.	Total.	Gold.	Silver.	Total.	Gold.	Silver.	Total.
Treasury	$72,923,721	$4,611,078	$77,534,799	$75,434,379	$100,335,155	$175,769,534	$148,358,100	$104,946,233	$253,304,333
National banks				156,353,592	9,000,705	165,354,397	156,353,592	9,000,805	165,354,397
State banks, trust companies, and savings-banks				31,255,789		31,253,789	31,255,789		31,255,789
Other banks and private hands				290,766,388	183,957,912	474,724,300	290,766,388	183,957,912	474,724,300
Total	72,923,721	4,611,078	77,534,799	553,810,148	293,293,872	847,104,020	626,733,869	297,904,950	924,638,819

TABLE C.—*Showing our coinage in and since* 1878, *the year the Bland act passed.*

	Silver.	Gold.	Minor coin.	Total.
1878	$27,529,934 50	$52,798,980 00	$760,891 00	$81,089,805 50
1879	27,227,837 50	40,986,912 00	45 00	58,214,794 50
1880	27,940,862 50	56,167,735 00	1,575 00	84,100,172 50
1881	27,646,271 25	78,733,864 00	3,695 50	106,383,830 75
1882	27,780,881 25	89,413,447 50	2,507 50	117,196,836 25
1883	28,117,958 25	35,936,927 50	717,511 90	64,772,397 65
1884	28,108,227 50	27,932,824 00	665,160 30	56,706,211 80
1885	28,533,288 25	24,861,123 50	315,671 40	53,710,083 15
	222,885,261 00	406,821,813 50	2,467,057 60	632,174,132 10

TABLE D.—*Showing our imports and exports of gold and silver from* 1873 *to* 1886.

UNITED STATES.

Fiscal years.	Gold coin and bullion.		Silver coin and bullion.	
	Imports.	Exports.	Imports.	Exports.
1873	$8,682,447	$44,856,715	$12,798,490	$39,751,859
1874	19,503,137	34,042,420	8,951,769	32,587,985
1875	13,696,793	66,980,977	7,203,924	25,151,165
1876	7,992,709	31,177,050	7,943,972	25,329,252
1877	26,246,414	26,590,374	14,528,180	29,571,863
1878	12,976,281	9,204,455	16,491,099	24,535,670
Total	89,097,781	212,851,991	67,917,434	176,927,794
1879	5,624,948	4,587,614	14,671,052	20,409,827
1880	80,758,396	3,639,025	12,275,914	13,503,894
1881	100,031,259	2,565,132	10,544,238	16,841,715
1882	34,377,054	32,587,880	8,095,336	16,829,599
1883	17,734,149	11,600,888	10,755,242	20,219,445
1884	22,831,317	41,081,957	15,504,777	29,868,748
1885	26,691,696	8,477,892	16,550,627	33,753,633
Total	288,048,819	104,540,388	88,397,186	151,426,861

TABLE E.—*Showing relative values of gold and silver in the coinage systems of countries of the gold standard.*

[From Fawcett on Gold and Debt, page 144.]

Country.	Relative coins.		Pure metal.		Relative value.
	Gold.	Silver.	Gold.	Silver.	
			Grains.	*Grains.*	
Bogota	Peso	Half-peso.	22.49	141.009	1 to 12½
Egypt	Pound	Piaster	115.5	14.298	1 to 12.3
England	Pound	Shilling	113.001	80.727	1 to 14.2
Germany	Mark	Mark	5.531	77.16	1 to 13
Portugal	1,000 reis	500 reis	25.087	176.824	1 to 14
Scandinavian Union	Crown	Crown	6.225	92.392	1 to 14.8
United States*	Dollar	Dollar		371.25	†1 to 15.98

*Mr. Fawcett gave the trade-dollar valuation. We give the standard dollar.
†Commonly stated as 16.

Relative values of gold and silver in the coinage systems of countries of the silver standard.

Country.	Relative coins.		Pure metal.		Relative value.
	Gold.	Silver.	Gold.	Silver.	
			Grains.	*Grains.*	
Austria*	Gulden	Florin	11.2006	171.466	1 to 15½
Mexico*	Peso	Peso	22.8477	377.1718	1 to 16½
Netherlands*	Gulden	Florin	9.3332	145.8324	1 to 15½
Russia*	5 rubles	Ruble	92.5713	277.7158	1 to 14¾

*These countries issue a gold coin for commercial or trade purposes.

Relative values of gold and silver in the coinage systems of countries of the double standard.

Country.	Relative coin.		Pure metal.		Relative value.
	Gold.	Silver.	Gold.	Silver.	
Latin Union (includes Belgium, France, Italy, and Switzerland)	5 francs	5 francs	22.4012	347.22	1 to 15½

The "Latin Monetary Union" mentioned in the foregoing table was a convention ratified at Paris, December 23, 1865, between the governments named. Greece was added in 1867.

Silver not a Local Issue.

SPEECH

OF

HON. DARWIN R. JAMES,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Friday, April 2, 1886,

On the bill (H. R. 5690) for the free coinage of silver, and for other purposes.

Mr. JAMES said:

Mr. SPEAKER: I desire to add the following extracts to my remarks of March 20, 1886.

The following lines are a part of the platform of the Republican convention of the State of New York, adopted at Saratoga, September 23, 1885:

The restoration of silver to its former position through equality with gold before the law in a majority of commercial nations must remain, until accomplished, the chief aim of our monetary policy.

The platform adopted by the Democratic convention at Saratoga, September 25, contains recognition of the same idea:

But we will welcome any practical measure of agreement with other nations by which the ratio of value between gold and silver may be made less fluctuating.

[From annual report of the Secretary of the Treasury (Mr. Sherman) on the state of the finances for the year 1879.]

The Secretary can not too strongly urge the importance of adjusting the coinage ratio of the two metals by treaties with commercial nations, and, until this can be done, of limiting the coinage of the silver dollar to such a sum as, in the opinion of Congress, would enable the Department to readily maintain the standard dollars of gold and silver at par with each other.

[From annual report of the Secretary of the Treasury (Mr. Sherman) on the state of the finances for the year 1880.]

It may be better for Congress at the present time to confine its action to the suspension of the coinage of the silver dollar, and to await negotiations with foreign powers for the adoption of an international ratio.

[From annual report of the Secretary of the Treasury (Mr. Folger) on the state of the finances for the year 1881.]

The most potential means of bringing about any concert of action among different nations would appear to be for the United States to suspend, for the present, the further coinage of silver dollars. This is the decided opinion, in both France and America, of the highest authorities on bimetallism, and of those who wish to bring silver into general use and raise its value; and it is believed that a cessation of coinage would, at a very early day, bring about a satisfactory consideration of the whole subject among the chief commercial nations.

The recommendations of the Secretary were repeated by reference in his reports for 1882 and for 1883.

[From annual report of the Secretary of the Treasury (Mr. McCulloch) on the state of the finances for the year 1884.]

The United States is one of the most powerful nations—its credit is high, resources limitless; but it can not prevent a depreciation of silver unless its efforts are aided by leading nations in Europe. If the coinage of silver is continued in despite of the action of Germany in demonetizing it and the limita-

tion of its coinage by what are known as the Latin nations, there can be but one result: silver will practically become the standard of value. * * *

The European nations which hold large amounts of silver must sooner or later come to its rescue, and the suspension of coinage in the United States would do much to bring about, on their part, action in its favor.

[From annual report of the Secretary of the Treasury (Mr. Manning) on the state of the financies for the year 1885.]

The choice before Congress is not between silver monometallism and gold monometallism. Both are inadmissible. The choice before Congress is not between bimetallism and either gold or silver monometallism. The latter are not admissible, and bimetallism is only possible with the co-operation of other nations, which is not now to be had. For, although France holds the same friendly attitude, and would be followed by some of her associates of the Latin Union, England now, as in 1878 and 1881, is willing to depart from her mintage of gold alone into coins of unlimited legal tender, and Germany now, as in 1881, regards the concurrence of England in an international bimetallic union as a *sine qua non*.

* * * * * * *

The only choice before Congress, therefore, is the choice between one-metallism and two-metallism. The silver dollar can not be kept in equivalence with the gold dollar if the coinage of silver continues. The gold dollar can not be kept in full domestic circulation if the silver dollar is suffered to fall. Coining more necessitates its fall. Doubtless some may hope that more silver dollars can be coined, and yet their equivalence with the monetary unit not be lost. It is respectfully submitted that there is no compensation for that risk, and that a judgment so accordant of the great business classes who carry on the exchanges of the country must be accepted as a final estimate of that risk.

Nor should it be forgotten that every silver dollar coined hereafter at our present ratio would be, as the coining of every silver dollar since 1878 has been, a direct hindrance to the international bimetallic union then avowed as the object of our legislative policy.

[Extract from House Executive Document No. 100, Forty-ninth Congress, first session. Letter from the Secretary of the Treasury to the Speaker of the House of Representatives in response to a resolution of the House, &c., March 2, 1886.]

It is now become plain, to all who take comprehensive and practical views of public policy, that the United States can do no better than return at the earliest possible date to a bimetallic unit of value. By this I mean—

1. The monetary unit embodied in coins, both of silver and of gold.
2. The monetary unit of value embodied in the silver coin to be made and kept in that successive and simultaneous equivalence with the present and prior unit of value which has been our honorable distinction ever since the Constitution was framed.
3. Open mints for the free coinage of gold and silver at a fixed ratio to every citizen of the United States bringing either metal, and the right to have his coins received in every sale and payment as full legal-tender dollars.

Nothing less than this is bimetallism. It is not bimetallism that we are having now. All our silver coinage is but excessive subsidiary coinage of Treasury purchases of silver for a fictitious Treasury profit. We lack an indispensable part of bimetallism. We lack the free coinage of everybody's silver, to an amount unlimited by Government, into coins of full legal tender. We only maintain a free coinage for everybody's gold, to an amount unlimited by Government, into coins of full legal tender.

It is the facts of our present situation, I would respectfully reassert, that constrain us toward bimetallism as our goal.

Our $550,000,000 coined gold, our $220,000,000 coined silver, now make any policy save ultimate bimetallism for the United States practically and politically a Utopian policy.

Stopping the coinage of Treasury purchases of silver is not a policy in which we can rest and be thankful. It is merely the first and indispensable step to ultimate bimetallism. It is also the only step to ultimate bimetallism. No intelligent expert on either side of the Atlantic has proposed or attempted to defend any other step to ultimate bimetallism.

It is a wise step in the interest of industries jeoparded by doubt, to end the increasing risk of expelling our gold. But it is a step necessary in the interest of silver-owners, because continued silver-dollar coinage, after long trial, neither betters the price of silver nor narrows its fluctuations, and tends to prevent rather than promote that international concert which, by restoring open mints for silver in three or more great commercial nations, can alone restore its price. No mint in the world which gives free coinage to gold now gives free coinage to silver. Except our own, no mint in the world which gives free coinage to gold now coins full legal-tender silver. We alone heap up the load.

The sure outcome is silver monometallism for us. Meanwhile what good has eight years of it done the silver-owners? Not a dollar of their coin or bullion crosses the sea and there brings its former price. But silver monometallism in the United States will not restore silver to its old price any more than the silver monometallism of India, China, and Mexico do. It will not even tend to restore silver to its old price, and so is condemned as an incapable, unprofitable monetary policy. In that respect it is worse than our present limited coinage of Treasury purchases prior to the day of their outcome in silver monometallism. It is even worse for the ultimate price of silver than if we stopped such coinage and held on so indefinitely. The reason is plain. Silver monometallism in the United States, in due time, and finally, will release to Europe the bulk of our $550,000,000 gold, and assist every once bimetallic nation there to follow Great Britain and the Scandinavian states in becoming and remaining a gold monometallic nation, with but token silver for small change.

Silver monometallism in the United States, in due time and finally, will release the depreciated full legal-tender silver of European bimetallic nations to compete with the product of our own mines for a passage through our mints. Assume that we could exclude it by stringent laws—though it is a strange assumption—foreign silver would distance ours in the race for the Orient, with which we trade mostly through Europe now, and with which we have so little trade, but Europe so much.

The transfer and exchange of a part of Europe's silver stock for the bulk of the United States gold stock might be indirect in part, but it would be unavoidable. The open mint for silver in France was all that Germany used or needed to effect the substitution of her silver for the gold of France. That is what silver monometallism in the United States would at last come to, undeniably—the exchange of European silver against American gold; and that could not raise the ratio of silver to its old level, but would fasten it down finally.

Even were this indirect but ultimate exchange of our gold for European silver hindered by any present tendency of coin balances to continue in our favor, it is still but an affair of time. There are other arguments, too complex to be met incidentally; but whatever their force, the disuse of gold by the United States would be compensated by its increased use in Europe, and thus prevent its loss of purchasing power. So our increased use of silver, tending to enhance its purchasing power, would be countervailed, without benefit to the United States, by its diminished use in European nations, thus preventing its gain of purchasing power, whether their legal-tender silver stocks were drained off to the West or East. The bimetallic theory of an ever-balancing approximation of the two metals to a fixed ratio, whatever the variations in the natural increase from mines of either metal, has no application to the case of substitution here supposed, any more than it had to the substitution which Germany effected at the expense of France. The emigration of our gold to Europe would not restore the price of silver.

There is one way, and only one, by which silver can be restored to its old ratio and value, namely, an international concert upon a common ratio with open mints to both metals at that ratio.

A concert of European powers without the concurrence of the United States is impossible, for this reason: The ratio of gold at which most of the European silver stocks have coined is 15.5 to 1. Our ratio is 16 to 1. A merely European concert of nations would make profitable the export of all our silver, and we should be drained of the metal as we were, by the same difference of ratios, from 1834 onward, when our loss induced in 1853 our first subsidiary coinage of fractional silver.

A concert of the European powers together with the United States, until we stop coining silver, is impossible for the same and another reason. It is impossible while ratios differ, and while we persist in that which is not only different, but which would both drain us of all except fractional silver, and inundate them with our coined $220,000,000 and whole future annual product. But, moreover, the step is one which no European nation now loaded with a depreciated but full-tender silver coinage will consent to take while the direct or indirect substitution of European silver for the United States gold seems a possibility, even a remote one. It is perceived to be a near possibility under the continuing operation of our present laws by those who control with firm hand the monetary policy of foreign powers.

So long as we do not stop, and stop unconditionally, our coinage of full legal-tender silver, we can not destroy foreign hopes of enlarging their stock of gold at our expense. But I am equally well assured, that when we do stop, and stop unconditionally, and destroy such hopes, such an international concert as I have described will then become possible. The situation of bimetallic European nations will then be no better than ours, and, for the first time since the fall in value of their full legal-tender silver, will offer no other remedy or outcome than an agreement, with suitable precautions, upon open mints at a fixed and common ratio, to which the assent of the United States would be indispensable.

Silver Coinage.

The American policy should be to enhance the value of silver and to uphold the manhood and defend the rights of the working people of this country.

SPEECH

OF

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 7, 1886.

The House having under consideration the bill (H. R. 5690) for the free coinage of silver, and for other purposes—

Mr. WHEELER said:

Mr. SPEAKER: There have always been creditors and debtors; but prior to 1861, owing to the beneficence of our laws and the prosperity and happiness of our people, there was not in this free country such a marked distinction as to attract attention.

During the last twenty-five years, however, they have gradually grown into two widely separated classes with distinct, if not antagonistic, interests: the debtor class struggling by labor and economy to relieve itself of its burdens, while the efforts of the creditor class have been to

secure legislation which would add to its wealth, and of necessity increase the load which the debtor class must bear.

When the Government bonds were issued, a quarter of a century ago, they contained the provision that the interest was to be paid in coin, but there was no such provision or exclusiveness regarding the principal, and the bonds were accepted by the purchaser with the full understanding that they were to be paid at maturity in the lawful money of the United States.

As these bonds were payable in greenbacks and this money was terribly depreciated the creditors of the Government were enabled to purchase them as low as 40 cents on the dollar, but before their maturity the holders of these bonds induced a party whose power was almost always exerted to advance the interests of capital, and whose legislation was nearly always oppressive to labor, to change the contract so as to make both principal and interest payable in coin. This was a violation of the Constitution, as it impaired the obligations of a contract; and this violation of the contract was in the interest of those who least needed and least deserved it, and against those who should have been most carefully shielded from any injustice or any legislation which increased their burdens. Many of the

VICTIMS OF THIS INJUSTICE

were men who had fought as private soldiers during four years of war, receiving for their services $13 a month in the very currency which the party in power declared was not good enough for the bondholder.

The original law of 1862, under which the bonds were issued, provided that they should be a debt due by the Government, with no provisions that they should be paid otherwise than all other indebtedness. They stood on precisely the same basis as all other debts. There was nothing in the law, there was nothing on the face of the bond, indicating that they were to be paid in anything but Government notes.

Mr. Thaddeus Stevens was, more than any one else, instrumental in preparing, maturing, and reporting the bill, and he knew more of its scope and meaning than any other man, in or out of Congress. Yet this gentleman, extreme Republican as he was, made a speech in Congress—one of the last he ever made—in which he denounced the proposition to pay these bonds in coin.

Mr. Stevens said:

I would vote for no such swindle on the tax-payers of the country. If I knew there was such a platform and such a determination on the part of my own party, I would, with Frank Blair and all, vote with the other party.

Mr. JOHN SHERMAN expressed the same emphatic views in his celebrated Mann letter, dated March 29, 1868, in speaking of the effort to have these bonds paid in coin, and said:

My construction of the law is the result of careful examination, and I feel quite sure an impartial court would confirm it if the case could be tried before court. I send you my views as fully stated in a speech. Your idea is that we propose to repudiate or violate a promise when we offer to redeem the principal in legal-tenders. I think the bondholder violates his promise when he refuses to take the same kind of money he paid for the bonds. If the case is to be tested by the law, I am right; if it is to be tested by Jay Cooke's advertisements, I am wrong. I hate repudiation or anything like it; but we ought not to be deterred from doing what is right by fear of undeserved epithets.

Despite these and numerous other admissions of prominent Republican leaders that under the law these bonds were payable in legal-tender Treasury notes, on March 18, 1869, a Republican Congress enacted a law that obligations of the Government should be paid in coin which under the contract should have been paid in legal-tender notes. The law was in these words:

An act to strengthen the public credit.

Be it enacted, &c., 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 obligations 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.

As to the effect of this enactment Mr. Morrill, afterward Secretary of the Treasury, said:

The 5-20 6 per cent. bonds, then selling at 88 cents on the dollar, soon rose to par in gold coin, and have since borne the average premium of 5 per cent. at home and abroad.

This law wrested from the laboring people nearly $1,000,000,000, which was presented as a gift to the rich man who did not labor. It was this legislation and kindred laws which disgrace the statute-books of that corrupt period, that planted the germ from which has sprung the present baleful crop of dissension and antagonism between labor and capital.

For years prior to 1870 silver was relatively

MORE VALUABLE THAN GOLD,

and therefore the public creditors were more than willing to receive it in payment of the Government obligations in their hands. The table which I will read shows that for a period of forty years the silver dollar of 412½ grains was more valuable than its gold equivalent, at our ratio of 1 to 16; and it further shows that after the demonetization of silver in 1873 its relative value became less.

Table showing fifty years' prices of silver, measured by gold.

[From tables prepared at the Mint of the United States.]

	Price of pure silver per ounce in London.*			Average price of pure silver, per ounce, in gold.	Value of standard silver dollar, 412½ grains, in gold.	Relative value of gold to silver.
	Lowest.	Highest.	Average.			
1834	59	60¾	59 11/32	131.3	101.62	1 : 15.73
1835	59½	60	59 15/16	130.8	101.20	1 : 15.80
1836	59	60¾	60	131.5	101.72	1 : 15.72
1837	59	60⅜	59 3/32	130.5	100.98	1 : 15.83
1838	59½	60½	59⅛	130.4	100.88	1 : 15.85
1839	60	60⅜	60⅛	132.3	102.36	1 : 15.62
1840	60½	60⅜	60⅜	132.3	102.36	1 : 15.62
1841	59⅜	60	60 1/32	131.6	101.83	1 : 15.70
1842	59	60	59 7/16	130.3	100.77	1 : 15.87
1843	59	59½	59 3/16	129.7	100.34	1 : 15.93
1844	59½	59½	59½	130.4	100.88	1 : 15.85
1845	58⅞	59⅛	59¼	129.8	100.46	1 : 15.92
1846	59	60	59 7/16	130.0	100.56	1 : 15.90
1847	58⅞	60⅜	59 11/16	130.8	101.20	1 : 15.80
1848	58½	60	59⅛	130.4	100.88	1 : 15.85
1849	59	60	59⅜	130.9	101.30	1 : 15.78
1850	59½	61½	60 1/16	131.6	101.83	1 : 15.70
1851	60	61⅜	61	133.1	103.42	1 : 15.46
1852	59⅞	60⅞	60⅜	132.6	102.57	1 : 15.59
1853	60⅜	62	61¼	134.1	104.26	1 : 15.83
1854	61⅜	61⅞	61¼	134.8	104.26	1 : 15.83
1855	61	61⅜	61 3/16	134.4	103.95	1 : 15.88
1856	60½	62⅛	61 7/16	134.4	103.95	1 : 15.88
1857	61	62⅜	61¾	135.3	104.69	1 : 15.27
1858	60⅜	61⅞	61 7/16	134.4	103.95	1 : 15.38
1859	61¾	62⅜	62 1/16	136.0	105.22	1 : 15.19
1860	61½	62⅜	61 11/16	135.2	104.58	1 : 15.29
1861	60½	61⅜	60 13/16	133.3	103.10	1 : 15.26
1862	61	62⅛	61 7/16	134.6	104.16	1 : 15.35
1863	61	61⅜	61⅛	134.5	104.06	1 : 15.37
1864	60⅜	62⅛	61⅜	134.5	104.06	1 : 15.37
1865	60½	61⅜	61 7/16	133.8	103.52	1 : 15.44
1866	60⅜	62½	61½	133.9	103.63	1 : 15.43
1867	60⅜	61½	60 9/16	132.8	102.67	1 : 15.57
1868	60½	61⅜	60½	132.6	102.57	1 : 15.59
1869	60	61	60 7/16	132.5	102.47	1 : 15.60
1870	60½	61⅜	60 7/16	132.8	102.67	1 : 15.57
1871	60 5/16	61	60½	132.6	102.57	1 : 15.57
1872	59½	61½	60 9/16	132.2	102.25	1 : 15.65
1873	57⅞	59 1/32	59½	129.8	100.46	1 : 15.92
1874	57½	59⅛	58 5/16	127.8	98.86	1 : 16.17
1875	55½	55⅝	56⅛	124.6	96.43	1 : 16.62
1876	46¾	58½	52¾	115.6	89.22	1 : 17.77
1877	53½	58½	54 1/32	120.1	92.88	1 : 17.22
1878	49½	55½	52 5/16	115.2	89.10	1 : 17.92
1879	48⅞	53¾	51¼	112.3	86.85	1 : 18.39
1880	51½	52⅞	52¼	114.5	88.55	1 : 18.06
1881	50⅞	52⅞	51 11/16	113.8	88.01	1 : 18.24
1882	50	52⅜	51⅛	113.6	87.86	1 : 18.27
1883	50	51 3/16	50 9/16	111.8	86.47	1 : 18.64
1884	49½	51⅛	50⅛	111.3	86.08	1 : 18.58
1885	46⅞	50	48¾	108.0	83.53	1 : 18.91

*In pence.

Hundreds of years ago, before the discovery of the silver of Mexico and South America, and when

Afric's sunny fountains rolled down their golden sand,

the ratio of gold and silver had been fixed as low as 1 to 10.

As it is a matter of interest I will read a table which shows the relative value of silver and gold from the discovery of America to the present time:

Period.	Years.	No. of years.	Ratio.
108 years (1 : 11.5)	1493–1520	28	11.3 : 1
	1521–1544	24	11.2 : 1
	1545–1560	16	11.3 : 1
	1561–1580	20	11.7 : 1
	1581–1600	20	11.9 : 1
100 years (1 : 14.0)	1601–1620	20	13.0 : 1
	1621–1640	20	13.4 : 1
	1641–1660	20	13.8 : 1
	1661–1680	20	14.7 : 1
	1681–1700	20	15.0 : 1
100 years (1 : 15.0)	1701–1720	20	15.2 : 1
	1721–1740	20	15.1 : 1
	1741–1760	20	14.8 : 1
	1761–1780	20	14.8 : 1
	1781–1800	20	15.1 : 1
50 years (1 : 15.7)	1801–1810	10	15.6 : 1
	1811–1820	10	15.5 : 1
	1821–1830	10	15.8 : 1
	1831–1840	10	15.7 : 1
	1841–1850	10	15.8 : 1
29 years (1 : 15.85)	1851–1855	5	15.4 : 1
	1856–1860	5	15.3 : 1
	1861–1865	5	15.4 : 1
	1866–1870	5	15.6 : 1
	1871–1875	5	16.0 : 1
10 years (1 : 18.2)	1876–1880	5	17.9 : 1
	1881–1885	5	18.5 : 1

By the procurement of the bondholder the law of 1870–'71 was enacted, which provided for the refunding of the national debt.

This law again repudiated our paper currency as one of the kinds of money with which the debt could be paid to the bondholder, and provided that coin, *i. e.*, gold and silver only (the latter being at that time relatively the most valuable), should satisfy these obligations.

The language of the amended contract, is found upon the face of the bonds issued in pursuance of this law. On the face of the United States 4 per cent. bond it is:

This bond is issued in accordance with the provisions of an act of Congress entitled "An act to authorize the refunding of the national debt," approved July 14, 1870, amended by an act approved January 20, 1871, and is redeemable at the pleasure of the United States after the 1st day of July, A. D. 1907, in coin of the standard value of the United States on said July 14, 1870, with interest in such coin from the day of the date hereof at the rate of 4 per cent. per annum, payable quarterly on the 1st day of October, January, April, and July in each year. The principal and interest are exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority.

The contract on the 5 per cent. bond is in these words:

This bond is issued in accordance with the provisions of an act of Congress entitled "An act to authorize the refunding of the national debt," approved July 14, 1870, amended by an act approved January 20, 1871; and is redeemable at the pleasure of the United States after the 1st day of May, A. D., 1881, in coin of the standard value of the United States on said July 14, 1870, with interest in such coin from the day of the date hereof, at the rate of 5 per cent. per annum, payable quarterly on the 1st day of February, May, August, and November in each year. The principal and interest are exempt from the payment of all taxes and duties of the United States, as well as from taxation in any form by or under State, municipal, or local authority.

In 1873, the creditor class, finding that because of its growing scarcity gold had appreciated, surreptitiously procured the demonetization of silver.

By this means they attained two objects:

First. They

INCREASED THEIR WEALTH,

because the law provided that their bonds should be paid in a single coin which became the more valuable of the two coins mentioned in their contract. It would be the same thing, in effect, as if a landlord had rented a piece of land to a tenant upon the agreement that the tenant should pay 1,000 pounds of cotton and 1,000 pounds of corn, and after the tenant had worked for a year under this contract the law-making power should, in obedience to the demands of the landlord, deprive the tenant of the right to pay any corn and require him to pay 2,000 pounds of cotton.

Second. The law demonetizing silver increased the purchasing power of the coin, which thus became the measure of all values, whether of labor or the products of labor. It changed the measure of values to the detriment of the laborer, and was in keeping with the new demand of the bondholder that if we pay him silver we must add one-fourth more silver to each dollar than was required by the law when the contract with the bondholder was made.

To illustrate: It was the same thing in effect as though an employer had entered into a contract with his laborers to give them in part payment of their year's service so many pounds of meat of 16 ounces per pound and so many yards of cloth of 3 feet to the yard, and then the law-making power should intervene to change the weight and measure and declare that the employer fulfilled his contract by the delivery of the stipulated number of pounds of meat of only 10 ounces each and the stipulated number of yards of cloth of only 2 feet.

Take another illustration: This law changing the measure of values was no more iniquitous than it would be to make an arbitrary alteration of the number of ounces in a pound of cotton, under the operation of which a landlord who had leased a piece of ground to a tenant for 3 bales of cotton of 500 pounds each, each pound to contain 16 ounces, by a subsequent change in the law should be empowered to exact from his tenant 3 bales of cotton of 500 pounds each, but each pound to contain 32 ounces, thus doubling the consideration which the tenant had agreed to give for the use of the land. Wicked, outrageous, and unconstitutional as such a law would be, it would not be nearly so bad as the laws which I have referred to, namely, the law of March 18, 1869, the practical operation of which compelled the people to pay the bondholder nearly $1,000,000,000 more than they owed him, and the act of February 12, 1873, which sought to again rob the people by another change in the contract, which still further

ENRICHED THE BONDHOLDER

at the expense of the tax-payer and laborer.

The trying financial ordeal through which our country passed from 1873 to 1878 necessitated the passage of the law remonetizing silver and providing for its coinage. To-day the bondholder seeks to repeat the iniquity of 1873 by destroying the monetary function of silver, because gold is relatively more valuable than silver, and now he comes knocking at the door of Congress asking that the contract be changed again, and that once more he shall be empowered to demand the most valuable of these coins in payment of the interest on his bond, and at its maturity the principal. If gold had depreciated and silver become relatively worth more than gold his demand would have been for silver, and he would have told us that unless we enacted a law which would give him the more valuable metal a terrible catastrophe would certainly befall our country. He would say, "Unless you do this, silver will leave our country, and this fair land will become the 'dumping ground' for the gold of the world."

The real purpose of the creditor class is this: If they could induce Congress to stop silver coinage it would leave just so much less money in the United States, and therefore just to that extent the burdens of the wage-worker and tax-payer would be increased, and the bounty given to the bondholder would be augmented.

The creditor class insists that silver has decreased in value. This is not true. Silver is more valuable to-day than it has been in years. The annual silver product, like most other products in the United States, has been gradually increasing, as is shown by the statistics relating to the production of silver and other staples for the years 1866, 1870, and 1880, which I will read:

	1866.	1870.	1880.
Silver	$10,000,000	$16,000,000	$38,450,000
Cotton, bales	2,193,987	3,154,946	5,757,397
Sugar, hogsheads	41,000	144,881	218,314
Corn		760,944,449	1,754,861,535
Wheat		287,745,626	459,479,505
Oats		282,107,157	407,858,999
Barley		29,761,305	44,113,495

Our production of pig-iron was 2,093,236 tons in 1876, and in 1880 it was 4,295,414 tons. The fair way to estimate the value of silver is to measure it by those articles the production of which, like silver, has kept step with the growth in population and the accompanying increase of energy of our people. And measured in that way we find that a silver dollar will now buy more of each of these articles than at any previous period.

I might carry this further, and by a careful investigation of the market price of between one hundred and two hundred of the leading commodities, the production of which has increased and which enter into daily consumption, we would find that, as compared with these commodities, the value of silver has not declined since 1874, but on the contrary its purchasing power has increased.

The enemies of silver, in their efforts to depreciate it, pass by all these commodities and seek for some article the production of which has decreased, and taking that as the standard of value they place a false argument before the country.

These gentlemen find that the production of gold was, in—

1853	$65,000,000
1860	46,000,000
1870	50,000,000
1880	36,000,000
1883	30,000,000

We, therefore, see that when our population was but 25,000,000 we produced gold to the amount of $65,000,000, and that with a population of 55,000,000 we only produced $30,000,000 of gold. In other words, in 1853 the United States produced gold to the amount of $2.60 to each inhabitant, and in 1885 the gold product of this country was but 50 cents to each inhabitant.

With this continually increasing demand and steadily diminishing supply the value of gold has been and will inevitably continue to be enhanced, and the

MODEST CREDITORS

of the people and the Government come and demand that we shall enact laws the effect of which will be to require that they be paid in the scarcest and dearest money. Not only do they demand this, but they threaten that unless we comply with this unjust requirement they will precipitate a financial catastrophe.

They also threaten to inaugurate measures which will prevent the employment of labor.

What is this substance called gold, and how much is there of it, which these enemies of silver and enemies of the people seek to make the measure of all values? It has been estimated and asserted by scientists that all the gold in the world could be compressed into a square block 29 feet long, 29 feet wide, and 29 feet high, about the size of a large room.

This small amount of metal is owned, controlled, and manipulated by a few, and they demand that by this alone shall we measure the value of the wage-earner's daily labor, and the product of the husbandman's yearly toil. To grant them this power would be to place in their hands a lever wherewith to crush the honest toiler in the dust while elevating the money-king to a practical sovereignty.

A great deal has been said to lead our people to believe that the rest of the world has adopted the gold standard, and that therefore it is necessary for us to follow their example. The error in these statements is quite as great as the fallacies of the gold advocates upon other points.

According to the report of the silver commission the countries which

still adhere to gold and silver as their currency, and are therefore designated double-standard countries, have populations as follows:

Greece	1,400,000	France	36,200,000
Roumania	4,000,000	Belgium	5,100,000
Colombia	2,900,000	Switzerland	2,700,000
Venezuela	1,600,000	Italy	26,800,000
Chili	1,900,000	Spain	16,400,000
Uruguay	400,000	United States	50,000,000
Paraguay	1,200,000		
Japan	33,000,000	Total	187,300,000
Holland	3,700,000		

The population of those countries which still adhere to the silver standard are:

Russia	76,000,000	Peru	3,400,000
Austria	36,000,000	China	400,000,000
Egypt	4,500,000	British India	237,144,456
Mexico	8,000,000		
Central America	2,600,000	Total	768,944,456
Ecuador	1,300,000		

And the following are the only gold-standard countries:

Great Britain	32,000,000	Norway	1,700,000
Canada, Cape of Good Hope, and Australian Colonies	7,000,000	Sweden	4,300,000
Germany	42,000,000	Total	87,000,000

The demand for the suspension of our silver coinage professes to rest upon the fear that its continuance must result in the gradual withdrawal of all gold from circulation as one of the coins of our monetary system. Those who make this demand claim that possibly the two metals may circulate side by side if the existing volume of the two metals be left where it is now. At least they would prohibit any increase in the volume of silver, holding that the natural laws of trade may safely be relied upon to prevent any evil result from the possible relative increase in the volume of gold. This profession is not merely disingenuous, it is a willful, deliberate deception—a snare.

It is only the initial step in the conspiracy to make gold—or paper redeemable in gold—the only money of the country.

Should they succeed in their present efforts, and I, for one, am confident they will not be allowed to succeed, after they have constrained Congress to suspend the coinage of the silver dollar the next step will be to repeat the iniquity of 1873.

The silver dollar will be deprived of its legal-tender function. The silver dollars, which, by the retirement of small Treasury notes and bills, have been made the only money of the people, will still be left in the hands of the people, but the destruction of their quality as money will be compassed in some way. They will be left us, but left to us not as money, but merchandise, the value of which is to be measured by the gold standard. They would reduce to practice their pet theory that the dollar of the people is in fact only 80 cents. They would then

ROB THE HOLDERS

of the $150,000,000 in silver dollars and silver certificates of $30,000,000, which would be added to the already vast and inordinate gains of the creditor class, who seek to substitute a plutocracy for the democracy, which is, theoretically at least, our present form of government. If this change in our actual government can be effected under the forms of law, I submit it will not be long before we shall be deprived of the name as well as of the thing represented by the name. It will not do to say that my prediction as to the ultimate intentions of the monometallists is not warranted by any known facts—that it is a conjecture, a presumption, and nothing more. The demonetization of the silver dollar, that is, the destruction of its legal-tender function, is the legitimate and logical result of the present effort to suspend its coinage. And these adversaries of the people are always logical in the pursuit of their selfish aims and interests.

Their argument now is that the continued coinage of these dollars, which they say are worth only 80 cents, produces financial distrust, disturbs values, and unsettles all commercial transactions, and therefore no more of them must be coined. Will those who yield to this argument now tell me how and on what grounds they propose to meet and resist the next step in the argument that the circulation of one hundred and fifty millions of these silver dollars constitutes a perpetual source of distrust, disturbance, and uncertainty in financial, commercial, and industrial affairs, and that the only way to restore confidence and stability is to convert them into commodities instead of dollars.

The acceptance of the last proposition follows the admission of the first, by logical and unavoidable consequence. Once admit the proposition that the silver dollar represents only 80 cents of actual value, and act upon the theory that so dishonest a coin is an element of financial and commercial disturbance, and you can not logically tolerate the continued circulation of one hundred and fifty millions of such dollars any more than you can honestly authorize their continued coinage. If it be a commercial evil to make them it must be an evil to have them. If they be an an evil, to stop making them will not remedy but only mitigate the evil; to uproot it entirely you must stop having them.

But, say the monometallists—and I use the term here to indicate those who advocate the single gold standard—the continuance of the silver coinage will inevitably destroy any chance of making this a bimetallic country; it will make us monometallists and our single coin will be silver. This is apparently one of their most formidable strongholds, at least one would judge so from the persistency with which the idea is advanced, upheld, defended, iterated and reiterated, in every imaginable form. They start out with

GRESHAM'S LAW

as the foundation, and upon this they rear a superstructure of misrepresentation, misstatement and false deduction designed to bewilder the minds of those who are honestly seeking to learn the truth and to understand the facts relative to the issue in controversy.

Concisely stated, the much quoted Gresham's law is this: two metals of unequal value can not circulate side by side, for the more valuable will be hoarded or carried elsewhere by the operation of that inexorable law which draws every commodity to the market in which it has the greatest purchasing power. Under the operation of this inexorable law, say the enemies of the silver dollar, the effect of the effort to maintain bimetallism without the concurrence of the great commercial peoples of Europe will be to drive gold out of the country, and attract silver to it until we shall have no gold at all, and silver will be comparatively worthless.

The ablest advocates of the single gold standard have laid special stress upon this point.

In opposing the remonetization of silver in 1878, Senator Wadleigh said:

> The cheaper metal will drive away the dearer. The success of this measure (the monetization of silver) will drive it (gold) to other enlightened and commercial nations, and leave to us the debased and bulky money which nearly every progressive nation in Europe has ceased to coin, and which supplies the few and degraded wants of the poor and ignorant millions of Russia, China, India, and Mexico.

Senator Sargent maintained that the remonetization of silver would "banish gold from the country." He said:

> A piece of gold coin will not be seen in use in any part of the country, even in the Pacific States, unless it is held by our specific contract act.

During the discussion Senator Matthews said:

> It will * * * expel from circulation and permanantly keep out of circulation all gold coinage as effectually as if gold were expressly prohibited by law.

That these distinguished Senators were in error in their gloomy forebodings has been clearly demonstrated by the actual occurrences since the passage of the measure they so vigorously opposed. In the warmth of their zealous antipathy to silver they were betrayed into the mistake of assuming that the "Gresham law" was universal in its application and invariable in its operation. In fact it is applicable to and operative in only those countries which suffer from a plethora of money. Where there is no more money than is needed for the purpose of trade it is wholly inoperative. It never commences to act, and therefore does not exist, until the volume of the circulating medium becomes excessive.

As an illustration we might refer to the condition of trade from 1865 to 1869. We had just emerged from a stupendous struggle in which thousands of millions of dollars' worth of property were absolutely destroyed—not consumed, but extinguished, leaving nothing whatever to indicate that it had ever existed. We were burdened with a colossal debt which the most sanguine friends of this country doubted could ever be paid. We had

NO COIN IN CIRCULATION.

Yet we were the most productive country in the world. Our lawful money was depreciated to about two-thirds the value of gold, and the purchasing power of that coin was, to that extent, greater than our standard currency.

At this very time, Germany and France held not less than $700,000,000 in silver coinage, which, although only 15½ to 1, circulated at par with gold. They needed and they took millions upon millions of our products, but they did not pay for them in either gold or silver. They gave us instead their own merchandise, and it required millions of American gold and silver to settle the balances against us.

To fully illustrate what has occurred regarding the movement of gold and silver to and from our country, I beg to call attention to the following instructive table. [For table see opposite page.]

It will be observed that when our own currency fell to its worst condition our exports of the precious metals were the greatest.

It has been and is now maintained by those opposed to our silver coinage that by the operation of the act of 1878, adding a minimum of $2,000,000 of silver to our supply of money each month, there is great danger that our currency will become redundant, and that as a result of this process of "inflation" there must be a corresponding advance in prices.

Well, Mr. Speaker, I for one believe that prices should advance. It will require something more effective and more tangible than the most ingenious array of figures ever compiled, or the most eloquent argument ever advanced, to convince me that any policy which promises to enable a laborer to earn two dollars instead of one, that is likely to give the farmer $1.50 a bushel for wheat instead of $1, or 15 cents a pound for cotton instead of 10 cents, is not a desirable policy for us to pursue.

While I may and do dissent from many of the theories advanced by the monometallists, I heartily and cordially agree with the proposition that abundant money means high prices, and I am most emphatically in favor of high prices. I want to see the American workingman earn-

Value of gold and silver coin and bullion imported into and exported from the United States from 1861 *to* 1885, *inclusive.*

Year ending June 30—	Domestic exports.				Foreign exports.				Imports.			
	Silver.		Gold.		Silver.		Gold.		Silver.		Gold.	
	Bullion.	Coin.	Bullion.	Coin.	Bullion.	Coin.	Bullion.	Coin.	Bullion.	Coin.	Bullion.	Coin.
1861	*$13,311,280	*$10,488,590	(†)	(†)	$42,826	$2,324,281	$6,700	$3,617,403	$1,014,893	$3,032,788	$3,343,282	$38,948,648
1862	(‡)	(‡)	$13,267,739	$17,776,912	40,092	1,407,645	.....	4,395,252	249,608	2,258,433	1,409,728	12,497,283
1863	*11,385,033	*44,608,529	(†)	(†)	550	1,993,223	.....	6,169,276	49,536	4,004,031	1,879,222	3,651,316
1864	836,387	2,502,551	10,985,703	86,148,921	1,145	1,394,824	33,449	3,493,561	66,716	1,872,127	2,512,635	8,664,134
1865	6,311,986	1,747,432	21,145,055	35,413,651	.....	1,202,775	1,900	1,820,427	1,476,838	1,835,006	1,392,760	5,105,468
1866	10,832,849	1,683,059	20,731,473	49,395,993	75,325	2,255,529	32,854	1,036,989	43,654	2,460,177	972,769	7,223,492
1867	15,853,530	2,892,990	13,867,641	22,362,035	18,939	3,076,286	.....	2,796,951	61,998	4,983,611	1,971,645	15,053,221
1868	12,978,311	2,536,506	23,841,155	44,390,003	169,068	5,703,873	94,508	4,070,678	90,410	5,360,515	1,784,536	6,952,907
1869	13,573,427	899,763	13,584,407	14,858,369	233,174	6,428,518	19,146	7,541,576	55,142	5,620,166	890,930	13,241,638
1870	11,748,864	3,554,329	15,812,108	12,768,501	2,682	9,213,829	39,778	5,015,575	162,432	14,199,797	680,760	11,376,190
1871	17,285,916	2,535,765	9,089,959	55,491,719	....	11,934,099	.....	2,104,530	105,836	14,289,627	1,177,387	5,706,174
1872	22,729,657	1,691,081	7,986,145	40,391,357	164,033	5,744,003	4,780	1,166,478	380,909	4,645,322	1,372,207	7,345,251
1873	27,759,066	1,674,442	8,810,175	35,661,863	85,795	10,232,556	.....	384,677	471,715	12,326,775	1,542,593	7,139,854
1874	22,498,782	4,555,418	3,878,543	28,766,942	25,000	5,508,785	.....	1,396,934	837,683	8,114,086	1,614,669	17,888,468
1875	17,197,914	5,115,670	2,233,775	59,309,770	11,835	2,825,746	3,696	5,433,736	1,295,754	5,908,170	1,581,638	12,115,155
1876	15,210,344	5,366,590	1,888,896	27,542,861	15,995	4,706,323	11,600	1,733,693	1,058,177	6,885,795	1,204,965	6,787,744
1877	11,482,894	9,292,743	1,084,536	21,274,565	334,167	8,462,059	67,511	4,163,762	4,693,253	9,834,927	2,119,570	24,126,664
1878	15,035,045	5,394,270	205,319	6,427,251	55,570	3,550,785	1,450	2,570,435	6,971,849	9,519,250	1,972,662	11,357,553
1879	11,883,064	1,526,886	24,774	4,120,311	1,483,614	5,516,263	6,255	436,274	2,447,888	12,223,164	1,297,344	4,327,704
1880	6,912,864	659,990	87,066	1,687,973	321,509	5,606,531	104,204	1,759,782	1,981,425	10,294,489	20,337,445	60,420,951
1881	11,852,995	547,642	84,943	1,741,334	65,560	4,375,518	2,157	736,668	2,303,472	8,240,766	30,998,919	69,032,340
1882	11,653,547	423,099	1,508,336	29,805,289	78,793	4,674,160	2,100	1,182,155	2,121,733	5,973,603	9,406,053	24,971,001
1883	12,551,378	150,894	4,118,455	4,802,454	319,900	7,197,273	.....	2,679,979	2,475,968	8,279,274	3,334,708	14,399,441
1884	14,211,050	690,381	23,052,183	12,242,021	494,240	10,625,755	2,400	5,785,333	2,910,451	11,684,494	4,997,571	17,833,746
1885	20,422,924	1,211,627	395,750	2,345,809	58,470	12,060,612	.....	5,736,333	4,530,384	12,020,243	8,849,237	17,842,459

* Including gold. † Included in silver. ‡ No transactions.

ing high wages that he may be able to pay the farmer a fair profit on what he produces. It is from these two elements of the body-politic that all the real wealth of a country comes. If they be prosperous and happy, the country will be prosperous. If they live amidst plenty, they will live peacefully and contentedly, and there will be no "strikes," no eager and exasperating struggle for supremacy between thousands of employés banded together for mutual protection against the oppressive exactions of dozens of employers united for the purpose of enforcing compliance with unjust requirements. In this commercial and practical age

MONEY IS THE GREAT LEVER

for which Archimedes longed as the instrument by which the world might be moved. A dearth, or even a scarcity, of money means silent factories, cold furnaces, unrevolving spindles, deserted mines, empty cars, and an idle and therefore suffering people. Abundant money means just the reverse of this, and therefore it is our duty to adopt those measures which seem best calculated to secure the blessing of an abundant currency for our people. I say an abundant currency, and I mean just what I say—not a redundant currency. I would not, if I had the power this minute, put into circulation one dollar more than is absolutely necessary to start and keep moving, without retarding friction, the mighty machine which is composed of the industrial, commercial, and financial interests of this great people. But I would and I will do whatever lays in my power to secure for the people a currency which shall be adequate to the requirements of their welfare. The volume of the currency I would like to secure is exactly that designated by John Adams in his letter to the Count de Vergennes in 1780, an extract from which was read by my friend from New Jersey [Mr. BUCHANAN] in his speech on this question last Saturday, a portion of which I will read:

A certain sum of money is necessary to circulate among the society in order to carry on their business. You may emit paper or any other currency within this rule, and it will not depreciate.

Is the volume of our currency at present equal to the requirements of the industrial and commercial interests of the country? If it is not, it should be made so. If it is in excess of such requirements, it should be curtailed. To determine this important question of the adequacy of the volume of our money in circulation, let us compare our condition financially with that of other countries. To do this, I will read the following table, certified to be correct by the Director of the Mint: [For table see next page.]

In this table I have assumed that the population of the United States at this time is at least 60,000,000, and have computed the per capita of our circulation upon this basis, for the reason that if there has been any change in the volume of the circulation that change has been in the direction of contraction consequent upon the retirement of national-bank notes.

This table puts the total paper currency of the United States at $873,426,755. This has decreased because the reports show that at this time there are but $346,000,000 of United States notes and $318,000,000 of national-bank notes. Silver, however, has increased according to the latest reports about $21,000,000. The varying dates at which reports are made accounts for the small differences. I believe the theory and the facts upon which I have proceeded in making this computation to be perfectly justifiable and in strict consonance with the present condition of the country.

Taking the results thus ascertained from the table, we find that France readily absorbs and uses a per capita circulation of $52.85, while the circulation in the United States amounts to but $29.09 per capita. France to-day is recognized as possessing the soundest financial system of any country in the world. Compared with her neighbors in Europe, her people are more prosperous and more contented than any of them. No industry is crippled and no enterprise is strangled by lack of means for their successful prosecution, while in Germany, which has but $18.24 per capita of circulation, the condition is just the reverse; to use the language of a distinguished financier, "Frenchmen are all busy, Germans are all idle."

I wish it to be distinctly understood that I do not advocate the expansion of our currency until it equals the per capita of France; but to show how far we are behind that country I will state that with 60,000,000 of population at $52.85 per capita, the total circulation of the country would be $3,171,000,000, and to secure this would require an addition to the present volume of our currency of $1,425,073,245, or an increase of 81.6 per cent. of the circulating medium which we now have.

One argument against silver is the oft repeated assertion that it remains locked up in the Treasury and will not circulate. The reason why there is not more silver in circulation is because since 1879, during the administrations of Hayes, Garfield, and Arthur, the Treasury Department has been conducted in a manner to prevent its circulation.

I have already quoted from the law of March 18, 1869. It is now section 3693 and 3694 of the Revised Statutes. The first two lines of section 3693, read as follows:

The faith of the United States is solemnly pledged to the payment in coin or its equivalent of all the obligations of the United States.

This was specially for the benefit of the bondholder, and the law has been rigidly enforced. Section 3694 reads:

The coin paid for duties on imported goods shall be set apart as a special fund, and shall be applied as follows:

First. To the payment of interest in coin on the bonds and notes of the United States.

Second. To the purchase or payment of 1 per cent. of the entire indebtedness of the United States to be made within each fiscal year, which is to be set apart as a sinking fund, and the interest of which shall in like manner be applied to the purchase or payment of the public debt as the Secretary shall from time to time direct.

Third. The residue to be paid into the Treasury.

This provision has not been complied with in the spirit intended. The law makes no discrimination against silver. For sixteen years it has been the duty of the Secretary of the Treasury to indiscriminately pay out silver and gold under the provisions of this act, but in violation of the plain intent of the law no silver has been used for any of the objects or purposes contemplated by the law.

Millions of silver have been received in payment for duties on imported goods, but until recently none of the silver so received has been used by the Government to pay the obligations recited in the law I have read.

To illustrate, take the figures of the last year of Republican administration. For that year the interest on the public debt was $51,386,256.27, and the bonds to be purchased for the sinking fund required

Table showing the total circulating medium, gold, silver, and paper, of the several countries.

Countries.	Population.		Date for which circulation is stated.	Paper.	Specie.				Total paper currency and specie.	Per capita.	
	Year.	Latest.			Gold.	Silver, full legal tender.	Silver, limited tender.	Total.		Paper.	Specie.
United States	1886	60,000,000	Oct. 1, 1883	$873,426,755	$610,500,000	$187,000,000	$75,000,000	$872,500,000	$1,745,926,755	$14 55	$14 54
Great Britain and Ireland	1881	35,246,562	July 23, 1884	a197,818,139	b583,500,000	.....	95,000,000	678,500,000	876,318,139	5 61	19 25
Dominion of Canada, including Manitoba and Newfoundland	1881	4,506,563	June 30, 1884	c45,770,084	d9,326,000	.....	d4,500,000	13,826,000	59,596,084	10 15	3 07
British India	1881	252,541,210	Dec. 31, 1883	d62,383,126	.....	e1,037,000,000	.....	1,037,000,000	1,099,383,126	24	4 10
Ceylon	1881	2,758,166	Dec. 31, 1883	d1,563,300	.....	d772,000	.....	772,000	2,335,300	57	28
Australia, Tasmania, and New Zealand	1881	2,798,898	Dec. 31, 1883	d26,010,722	d65,000,000	.....	d5,000,000	70,000,000	96,010,722	9 03	25 01
Cape of Good Hope	1880	780,757	Dec. 31, 1883	d5,637,000	d30,000,000	.....	d2,441,000	32,441,000	38,078,000	7 22	41 54
France	1881	37,672,048	Sept. 18, 1884	f548,061,912	b848,000,000	b537,000,000	57,900,000	1,442,900,000	1,990,961,912	14 55	38 30
Algiers	1877	2,867,626	Dec. 31, 1883	d12,352,000	d9,300,000	d5,915,000	.....	15,215,000	27,567,000	4 30	5 30
Guadeloupe	1878	185,460	Dec. 31, 1883	965,750	381,000	281,000	.....	662,000	1,627,750	5 21	23 52
Belgium	1881	5,585,846	Sept. 11, 1884	f62,826,515	b64,000,000	b53,000,000	6,500,000	123,500,000	186,326,515	12 11	11 81
Switzerland	1880	2,846,102	Sept. 6, 1884	f21,480,731	b17,000,000	b10,000,000	4,700,000	31,700,000	53,180,731	7 55	7 14
Italy	1881	28,452,639	June 30, 1884	g321,548,521	h140,000,000	h38,000,000	h34,000,000	212,000,000	533,548,521	11 30	2 45
Greece	1882	1,979,423	Dec. 31, 1883	d23,739,000	d2,702,000	d2,702,000	.....	5,404,000	29,143,000	12 00	12 73
Spain	1877	16,625,860	Aug. 30, 1884	i70,812,440	130,000,000	40,000,000	30,000,000	200,000,000	270,812,440	4 32	22 03
Cuba	1877	1,394,516	Dec. 31, 1883	d44,862,543	d28,181,000	.....	.....	28,181,000	73,043,543	32 17	07
Luzon	1880	4,450,191	Dec. 31, 1883	d1,200,000	d762,000	d2,236,000	.....	2,998,000	4,198,000	27	67
Portugal, including Azores and Madeira	1878	4,550,699	Dec. 31, 1883	6,367,680	d30,000,000	.....	d10,000,000	40,000,000	46,367,680	1 40	8 79
Germany	1880	45,235,061	Dec. 31, 1883	279,573,023	b334,420,000	109,480,000	b102,000,000	545,900,000	825,473,023	6 18	12 06
Austria-Hungary	1880	35,839,428	Sept. 15, 1884	f311,646,314	b45,000,000	b75,000,000	.....	120,000,000	431,646,314	8 69	3 35
Sweden and Norway	1880	6,479,168	Dec. 31, 1883	23,623,292	14,296,783	.....	5,138,368	19,435,151	43,058,443	3 65	3 00
Danish Kingdom	1880	2,096,400	Dec. 31, 1883	20,334,000	13,936,000	.....	4,958,000	18,894,000	39,228,000	9 70	9 00
Netherlands	1883	4,172,921	Sept. 13, 1884	f78,847,949	b28,000,000	b57,000,000	.....	85,000,000	163,847,949	14 10	20 37
Russia	1880	98,323,000	Aug. 13, 1884	g522,423,641	j124,008,153	.....	.....	124,008,153	646,431,794	5 31	1 26
Turkey	1880	24,987,000	Dec. 31, 1883	8,515,976	d39,600,000	35,200,000	.....	74,800,000	83,315,976	3 1	3 00
Roumania	1881	5,376,000	Dec. 31, 1883	d15,822,383	163,000	d11,387,000	.....	11,550,000	27,372,383	2 94	2 15
Mexico	1880	9,787,629	June 30, 1883	k2,048,529	j10,000,000	d40,000,000	.....	50,000,000	52,048,529	21	5 23
Central America	1881	2,891,600	Dec. 31, 1883	d2,009,861	d2,318,000	d374,000	.....	2,692,000	4,701,861	06	93
Argentine Republic	1880	2,540,000	Dec. 31, 1883	50,651,850	l10,000,000	m9,000,000	m1,720,000	20,720,000	71,371,850	19 94	8 15
Colombia	1881	3,000,000	Dec. 31, 1883	1,097,830	.....	.....	$4,000,000	4,000,000	5,097,830	36	1 33
Brazil	1882	11,881,326	Dec. 31, 1883	139,871,255	.....	.....	.....	.....	139,871,255	11 82	.....
Peru	1876	3,050,000	Dec. 31, 1883	d13,098,820	d62,000	d1,820,000	.....	1,882,000	14,980,820	4 29	62
Venezuela	1881	2,075,245	Dec. 31, 1883	559,700	m2,000,000	.....	m123,000	2,123,000	2,682,700	27	1 02
Chili	1876	2,420,500	Dec. 31, 1883	d26,555,341	.....	d6,000,000	.....	6,000,000	32,555,341	10 97	2 47
Bolivia	1876	2,325,000	Dec. 31, 1883	1,508,533	.....	d5,400,000	.....	5,400,000	6,908,533	65	2 32
Uruguay	1880	438,245	Dec. 31, 1883	d5,986,000	d4,601,000	d1,000,000	.....	5,601,000	11,587,000	13 66	2 28
Hayti	1877	572,000	Dec. 31, 1883	.....	d4,000,000	d780,000	.....	4,780,000	4,780,000	.....	8 36
Japan	1883	36,700,110	Dec. 31, 1883	112,411,093	92,000,000	44,333,712	.....	136,333,712	248,744,805	3 06	3 71
Hawaiian Islands	1882	66,895	Dec. 31, 1883	335,000	549,900	.....	950,000	1,499,900	1,834,900	5 01	22 41
Total	.....	.....	.....	3,943,746,608	3,293,606,836	2,310,680,712	443,930,368	6,048,217,916	9,991,964,524	.....	.....

a London Bankers' Magazine for September, 1884. *b* Estimate of last year, with net imports added, deducting consumption. *c* New York Chronicle, August 2, 1884. *d* Estimate in last report. *e* Estimate of last year, adding coinage and deducting consumption. *f* London Economist, September 20, 1884. *g* London Economist, August 30, 1884. *h* "Wahrung's Politik," 1884, by Ottomar Haupt. *i* London Economist, September 13, 1884. *j* Bank reserve only. *k* London Economist, September 15, 1883. *l* New coinage, $5,000,000; foreign gold, estimated, $1,000,000. *m* Estimated from total specie circulation reported by United States minister.

the additional outlay of $45,588,150, making an aggregate compulsory expenditure by the Treasury Department of $96,974,406.27.

The total receipts of the Government for customs duties during that year were $181,471,939.34, a large proportion of which, the report of the Secretary of the Treasury informs us, was paid in silver, but none of this silver was paid out for interest on the debt, or for the bonds redeemed. Is it any wonder silver does not circulate?

The devices of the adversaries of the wage-worker and tax-payer are numerous.

They employ the highest talent to argue, support, and enforce their specious views, and theories, and so plausible have they been that many of the best and purest officials have doubted the feasibility of any course other than to yield to their demands.

But all their various and ingeniously contrived assaults upon the

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have but one single purpose, and that purpose is to augment the wealth of the holders of money and to increase the weight of the burdens now resting upon the creators of wealth—the laborer, the mechanic, the artisan, and the farmer.

One of the most favored of these various devices to accomplish this purpose is the demand that as the present silver dollar is actually worth but 80 cents in gold, we should—if we insist upon having two kinds of coin as money, and propose to be honest in our coinage—add enough silver to the dollar to make the metal in the dollar absolutely worth 100 cents in gold. That is, instead of coining dollars containing only 412½ grains of silver, nine-tenths fine, we must coin dollars containing 515.62½ grains of silver of the present standard of fineness. They would have us add one-fourth more silver, but limit the new coin to the same monetary value it now possesses.

To say nothing of the manifest injustice of this proposal, which I shall discuss presently, let us see what would be the effect of this change upon us as a people in relation to our creditors, the bondholders. Nearly every bond now outstanding, whether of the Government, a State, a municipality, a railroad, a telegraph, or any incorporated association of capital, every mortgage, every individual promissory note—in short, every contract to pay money, whether public or private—is a contract subject to the laws in force in 1870–'71. It is a contract to pay money under the laws as they now stand. Suppose we should yield to this demand, and enact a law requiring that silver dollars shall contain 515⅝ grains of silver nine-tenths fine, and that such dollars, when coined, shall be full legal tender for the payment of all debts, public and private.

Suppose we should do this, I say, what is to prevent the creditor, public or private, from refusing to receive these dollars and still demanding gold? He would maintain that he had a right to so refuse under the law. He would contend that he could rightfully and lawfully urge that the law at the time the contract was entered into provided that the dollars should contain only 412½ grains of silver nine-tenths fine, and that he could not be forced to accept a different coin. It would be vain to urge that he was tendered the 412½ grains and 103⅛ additional. He would reply he did not care what the change was, there had been a change in the coin since the contract was entered into, and he could not be compelled to accept any coin but the one provided by law at the time of the contract. If he could maintain this position, and it would be as tenable as many of the arguments of the monometallists, we would have conceded the demand for additional bullion in the dollar without any advantage to our silver coinage. The relative advantage of gold would have been maintained, and so maintaining it must of necessity again raise its comparative value. By indirect means the goldmongers would have gained their object—we would be a monometallic country, and gold would practically be the only coin available for the payment of debts.

But now let us consider the wrong, the

FLAGRANT WRONG

which such a course must be to the people who did not own gold. As the law stood in 1870–'71, as it stands now, every debtor could and can discharge his obligations with dollars containing 412½ grains of silver of the standard fineness. To accede to this demand of the gold worshipers would be to add one-fourth to every debt owing in the country, whether it be public or private, and this addition to the debts of the country would be a present, a bounty, to the comparatively few men who own the accumulated wealth of the country.

Let me illustrate the hardship of which a debtor would be the victim if we yielded to this demand to increase the quantity of silver in the standard dollar.

Under the old law any citizen could carry gold or silver bullion to the Mint and have it coined into money, and practically the same condition of things exists to-day. Suppose the accumulated wealth of a man in the far-off Territories is $100,000 of silver bullion. Delays in transportation and delays at the Mint prevent its speedy coinage. He borrows $100,000, which, under the law, can be paid with the hundred thousand silver dollars he will eventually get at the Mint. Before his silver can be coined Congress intervenes and provides that a silver dollar must contain 515⅝ grains of silver—nine-tenths fine—to make the metal in the dollar equal in value to the gold dollar, and he finds that his silver, instead of being sufficient to coin $100,000, is equal under the new law to only $80,000. "But," he would plead, "I am in debt $100,000, and this silver is all the money I have with which to pay my debt. Besides, when I contracted the debt the law provided that my silver should be converted into $100,000."

"But your silver was not money until it was coined," would be the reply, "and the law now says your silver can not make more than $80,000. It is a very hard case, undoubtedly, but the law has been changed through the influence of your creditor and his associates, and the law must be obeyed," and the unfortunate debtor would be compelled to submit to a clear loss of $20,000, and for this $20,000 he would have received no consideration whatever. It would be simply a loss imposed by the operation of a law the enactment of which had been procured by his creditor.

But the evil of such a change in the law, oppressive and burdensome as it would be in the hypothetical case I have used as an illustration, is comparatively insignificant when we come to consider the effects of such a change upon the whole country.

From Mr. Spofford's American Almanac we learn that the General Government, State, county, municipal, and railroad debt of the United States is as follows:

United States, 1885	$1,438,542,995 00
Aggregate State, funded and unfunded, 1885	262,175,245 00
Territorial, 1880	179,178 00
County, 1880	123,877,668 00
Municipal	698,270,199 00
Railroad, funded, 1884	3,669,115,772 00
Total	6,192,161,057 00
To this should be added the individual mortgages, which the minority estimate at	6,000,000,000 00
Giving a total indebtedness of	12,192,161,057 00

Every dollar of this enormous aggregate can be paid under the present law with silver dollars or silver certificates, each dollar containing 412½ grains of silver nine-tenths fine. But if the demand to increase the amount of bullion in the dollar to make it equal to gold, according to the gold measure of values, be conceded, we must add to this total one-fourth of its sum; for if the present silver dollar of 412½ grains be actually worth only 80 cents in gold it will take 515⅝ grains—one-fourth more than 412½ grains—to be worth 100 cents in gold. The result then will be this:

Aggregate indebtedness	$12,192,161,057 00
Add 25 per cent	3,048,040,264 25
Swelling the aggregate indebtedness to	15,240,201,321 25

Assuming the population of the United States to be 60,000,000 souls at the present time, the moderate request of these modest gentlemen is that Congress, by the mere exercise of the "power to coin money and regulate the value thereof," shall add a fraction over $50 to the indebtedness of every man, woman, and child in the United States; and mark you, for this oppressive addition to the

INDEBTEDNESS OF EACH INDIVIDUAL

in the country, there will have been given no equivalent or consideration of any kind whatsoever.

According to the last census there were in the United States 9,945,916 families; making about five persons to each family. Adopting the same ratio and assuming our population at this time to be 60,000,000, we now have 12,000,000 families, and by consenting to the demand to increase the amount of bullion in the silver dollar, Congress would impose an additional indebtedness of $254 upon the head of each of these families; would arbitrarily and wantonly add $254 to the burden now borne by the bread-winner of the family, who must provide for four others besides himself.

Why, sir, if Congress should lend itself to the perpetration of this enormity it would impose upon the labor of the United States a penalty three times as great as that imposed by victorious Germany upon conquered France.

If it be so important to have the value of the metal in the gold and silver dollars exactly equal, the honest way to attain this would be to reduce the amount of metal in the gold dollar, as I have shown that the difference in the value of the two metals has been caused by the enhancement in the value of gold, and not by any depreciation in the value of silver.

It may be, Mr. Speaker, that this bill is destined to defeat; that in this instance the dictation of London money-changers and the demands of our own few possessors of the accumulated wealth of the country shall be more potent than the appeals of our overburdened tax-payers, than the cry for relief of our unemployed laborers, mechanics, and artisans, and of our impoverished farmers.

But while its defeat may be one of the possibilities of the present, its ultimate passage is one of the certainties of the future. It may not be now, but it is to come, and it requires no more of the gift of prophecy to foresee its adoption than is called for in predicting the precession of the equinoxes.

The free coinage of silver is essential to our protection, to the preservation of our ability to continue the profitable production of the two great staples, wheat and cotton; and as self-preservation is the first law of nature some bill providing for the free coinage of silver must eventually become a law. How long it may be deferred and how great must be the sufferings of the people before they obtain at once justice and relief I shall not pretend to say. I am satisfied to know that while this much-needed measure of relief may be postponed, that postponement must have a limit of time in the not very distant future. Relief must come in this or some other form. If other adequate measures be devised or changed circumstances improve our condition this particular measure may not be necessary.

The low price of silver bullion in London has so affected the price of sterling exchange with India as to enable English importers of

INDIA WHEAT

to place that staple product in the markets of Europe at prices so low as to measurably exclude the American producer as a competitor. The exportation of wheat from India was only 94,000 bushels in 1873, when we demonetized silver, and since that time it has increased so rapidly that it reached the enormous amount of 45,500,000 bushels in 1885. The official publications of British India, furnished me by the Bureau of Statistics, show that five-sixths of this wheat was sent to Great Britain, France, Italy, and Belgium, and every bushel of this Indian wheat marketed under these circumstances may be regarded as having displaced a bushel of American wheat, which might have been sold had not England been able to dictate our financial policy, whereby she purchased the silver product of this and other countries at a depreciation of 20 per cent. as compared with gold. Silver is the only legal tender in India, and so long as England shall be empowered by us, or at least with our sanction, to use 80 cents for a dollar in the production of India wheat, and the value of our wheat is measured by a gold dollar of 100 cents, just so long will she undersell us in the markets of the world.

The exports of wheat from British India during the ten years ending March 31, 1885, are as follows:

Year.	Quantities.	Value.
1876	cwts... 2,510,768	$4,410,660
1877	do.... 5,586,604	9,526,855
1878	do.... 6,373,168	13,985,177
1879	do.... 1,056,720	2,531,252
1880	do.... 2,201,515	5,471,245
1881	do.... 7,444,375	15,952,105
1882	do.... 19,863,520	41,871,765
1883	do.... 14,144,407	29,534,467
1884	do.... 20,956,495	43,202,651

To England cheap silver means cheap wheat and cheap cotton, and it is in this fact that we find the true explanation of her resolute hostility to any international encouragement of bimetallism. If we should yield to the demand for demonetization, or even for suspension of the limited-coinage act of 1878, the price of silver bullion would fall still lower and she would doubtless be able in a very short time to buy it at 60 cents, where she now pays 80 cents. But even at the present price of silver measured by the gold standard of value she possesses an incontestable advantage over us or any other country in the production of wheat and cotton. She can now buy silver at a discount of 20 per cent. and ship it to India, with its 253,000,000 population using only silver money, coin it into rupees and sycee, with which to pay the ryots who work for 8 cents a day, and buy her whole supply of wheat—formerly furnished by America—and lay it down in London and Liverpool at prices which must drive the American farmer absolutely from the market.

The extent of the supply of India wheat is simply a question of irrigating canals to water her arid soil and railroads to carry the product of those fields to the ports. England's possessions in India embrace an area equal to the United States from the Rocky Mountains to the eastern point of Maine and from the lakes to the Gulf, with a population nearly five times as great as ours, steeped in poverty and ignorance. To provide the irrigating canals and railroads there have been already appropriated this year some $30,000,000, and her leaders announce their intention to continue these works till all the wheat and cotton fields have been brought under cultivation.

Continue to supply England with cheap silver wherewith to pay her ryots in India their 8 cents a day to cultivate wheat and cotton, and it will not be many years before she will be selling India wheat in New York at from 60 to 70 cents a bushel. The wheat-grower of the Northwest would

LOSE HIS BEST MARKET,

steamers on the lakes and the great railroads would lose much of their freight and of necessity many employés would be discharged.

Besides this, India will use her 8-cents-a-day laborers to supply England with all the short-staple cotton she can use, and all our low-grade

cotton will be left on our hands, while all other grades will be reduced below the point of profitable production.

Worse than that. We now manufacture coarse cotton cloths as low as two-thirds of the cost of such goods in England, but India mills, with cheap labor and cheap silver, are becoming dangerous competitors, and the large increase in India of this class of manufactures is a matter we should seriously consider.

It was only a few years ago that England began developing the manufacture of cotton cloth in India. I have not the details of this manufacture prior to 1879, but the table which I will read shows the progress since that date.

COTTON MILLS OF BRITISH INDIA.

Statement showing the cotton mills worked by steam which existed in the lower provinces of Bengal, the presidencies of Madras and Bombay, the northwestern provinces, the Hyderabad assigned districts, and Central India, on the 31st of March of each year, 1879 to 1884, inclusive.

[From official publications of British India.]

Year.	No. of mills.	Number of looms.	Number of spindles.
1879	58	12,983	1,436,464
1880	58	13,307	1,470,830
1881	58	13,283	1,471,730
1882	62	14,386	1,550,944
1883	62	15,116	1,654,108
1884	74	16,251	1,895,284

Does any one say these are the gloomy and impossible prognostications of an alarmist?

If there be any who regard the picture I have endeavored to present of the future course of our wheat and cotton trade as an impossible contingency, I beg their earnest and most thoughtful attention to the following views on this very subject of Mr. Henry R. Grenfell, an eminent English financier and a director of the Bank of England, which have been recently published.

"What if the United States," I said, "should go the length of demonetizing silver?"

"That step," replied Mr. Grenfell, "I believe to be quite out of the question. What could you do with your silver? Not only would every silver mine in America be closed, but it would be absolutely impossible for you to sell the $200,000,000 of silver which you have coined. It would be impossible for you to sell this coin—I will not say without a loss, but at all. Where could it go? Who would buy it? For what produce of India could you exchange it? Europe certainly will not buy a dollar of it. Selling presupposes buying. Before you can sell any commodity you must find a buyer for it. *Again if you could demonetize silver in the United States, the price of silver would fall, and as the price of silver fell the trade exports from India to Europe would be stimulated in competition with your exports. On account of the fall in the exchange value of silver, India now has to pay her $85,000,000 of annual debt charge to England not in silver but in wheat or in cotton.*

"Thus it is really the price of silver which decides whether the wheat-farmer in Dakota shall get a remunerative price for his wheat and whether the cotton-planter in Texas shall be undersold in the English markets by the Indian ryot. The less support, therefore, the United States affords silver the keener will be the competition you must meet, and the lower will be the prices at which your staple export of wheat and cotton will be sold, on account of the inevitable concomitant increase in the Oriental exports of these commodities to Europe.

"Does it not follow from all this that you do not think the Bland bill ought to be repealed?"

"As to that, if I were speaking from the point of view not of a director of the Bank of England, but of a philosopher, I might say that M. Cernuschi's position, that the bill ought to be repealed, is logically unassailable. But the world is not governed by logic. If the Bland bill were unconditionally repealed and if silver were demonetized in the United States, the tremendous collapse in trade which would follow that legislation would no doubt most effectually awake not the United States alone but the whole world to understand the importance of maintaining a sufficiency of the circulating medium and of assuring the stability of the international exchange ratio of the two precious metals.

Mark the significance and importance of the declaration, that as the *price of silver falls the exports from India to Europe will be stimulated in competition with our exports.* Engrave it indelibly upon your minds that a director of the Bank of England has stated it to be an immediate and direct consequence of the decline in the price of silver which has already taken place, that India now "pays her annual debt charge of $85,000,000 to England, *not in money, but in wheat or in cotton,*" and then say I have overdrawn or exaggerated the future prospects of our wheat and cotton trade, if you can, and vote against this bill if you wish to hasten and insure the calamitous result I foresee, and you must recognize as inevitable.

"But," I am asked, "granting all you say to be true, how will the passage of this bill prevent the disaster to our wheat and cotton trade?" I do not claim, Mr. Speaker, that the passage of this bill will certainly prevent the calamity, but I do maintain that it will tend to the accomplishment of that desirable result.

By making provision for the free and unlimited coinage of all the silver that may be presented at our mints we can at least

DEPRIVE ENGLAND

of the advantage of cheap silver in stimulating and fostering the productions of India in competition with us.

The American policy should be to enhance the value of silver. By raising the value of silver so that our present silver dollar shall have in all the markets of the world a purchasing power equal to gold, we can at least add 25 per cent. to the cost of the vast system of internal improvements in India which she now contemplates; we can add 25 per cent. to the cost of the agricultural products of India; we can add one-fourth to the cost of transporting these products to the distant seacoast and the still more distant European market. Deprive England of the immense advantage she now has in cheap silver and we may hope that the higher intelligence and superior skill of our farmers, supplemented and assisted by our greater proximity to market, will go very far to offset the advantages of her 8 cents a day ryots and her comparatively valueless lands.

Force England to pay 100 cents for everything she now gets for 80 cents, and the inequality of the terms upon which we now compete with her Indian products in the markets of the world will certainly be modified, and may be destroyed altogether.

"But," again interrupts my former querists "how can we be satisfied that the free coinage of silver in the United States will deprive England of her cheap silver?" In reply to this inquiry, I would say that the world's production of silver for the three years 1882, 1883, and 1884 aggregated $343,892,874, and the world's coinage of silver during the same three years is shown by the table to which I now ask attention.

Coinage of various countries.

[Compiled from official statistics.]

Countries.	1882.		1883.		1884.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
United States	$65,887,685	$27,972,035	$29,241,990	$29,245,989	$23,991,756	$28,534,866
Mexico	452,590	25,146,260	407,600	24,083,921	328,698	25,377,378
Bolivia	.....	1,684,865	.....	*1,600,000	.....	.....
Argentine Republic	.....	.....	4,530,210	1,715,445	.....	.....
Great Britain	.....	1,021,381	6,831,169	6,201,517	11,309,819	3,204,824
Australia	18,701,959	.....	19,903,722	.....	22,196,106	.....
India	170,543	29,386,322	67,044	24,927,400	.....	13,847,656
Germany	3,167,085	6,407,157	21,002,897	594,564	13,723,494	114,319
Austria-Hungary	2,829,590	3,122,819	2,154,390	5,552,191	1,244,975	3,390,163
France	722,206	223,853	.....	.....	.....	23,160
Belgium	2,016,117	.....	.....	.....	.....	.....
Italy	.....	.....	785,027	.....	62,165	2,121,953
Netherlands	.....	608,312	.....	81,095	.....	182,910
Norway	.....	69,680	192,708	37,520	.....	.....
Sweden	39,876	17,707	436,619	250,468	1,022,420	132,784
Spain	1,996,310	10,671,842	3,327,235	10,523,421	4,983,004	6,738,971
Portugal	162,000	.....	217,080	.....	186,840	.....
Japan	565,645	4,367,393	544,290	3,120,892	569,415	3,088,724
Brazil	25,508	9,994	52,801	23,589	.....	.....
Russia	.....	.....	12,793,575	.....	19,840,548	1,020,786
Turkey	2,960,056	.....	1,344,640	44,000	.....	.....
Colombia	.....	.....	.....	699,114	.....	.....
Switzerland	.....	.....	965,000	.....	.....	.....
Honduras	.....	76,314	.....	.....	.....	.....
Persia	.....	.....	47,117	605,579	.....	.....
Peru	.....	.....	.....	.....	.....	1,400,949
Sandwich Islands	.....	.....	.....	.....	.....	700,000
China	.....	.....	.....	.....	.....	160,000
Total	99,697,170	110,785,934	104,845,114	109,306,705	99,459,240	90,039,443

* Approximate.

From these figures it will be seen that the average annual production of silver of the whole world for the three years specified was $114,630,958; and that the average silver coinage of the whole world during the same period was $103,377,361, leaving an average annual amount of only $11,253,597 worth of silver bullion available for the arts and manufactures. During the same three years, 1882, 1883, and 1884, the silver product of the United States was as follows:

In 1882	$46,800,000
In 1883	46,200,000
In 1884	48,800,000
Total	141,800,000

Giving an annual average of $47,266,666.66.

During the same period the silver coinage in the United States was as follows:

In 1882	$27,972,035
In 1883	29,245,989
In 1884	28,534,866
Total	85,752,890

Giving an annual average of $28,584,296.66. Deduct our average annual coinage from our average annual product, and we have in the United States an average annual amount of $18,682,370 worth of silver bullion available for our arts and manufactures and for export.

If the United States produced an average annual amount of $18,682,370 worth of silver in excess of its average annual coinage, and the excess of the world's product over the world's coinage was only $11,253,597, it follows necessarily that $7,428,773 worth of our silver product must have been coined abroad and entered into the silver-money circulation of foreign countries.

From this table of the world's silver coinage—and I wish to call particular attention to this point—we learn that during the three years, 1882, 1883, and 1884, the coinage of silver in India was as follows:

In 1882	$29,386,322
In 1883	24,927,400
In 1884	13,847,656
Total	68,161,378

giving an annual average of $22,720,459; and during these three years I see by the official report of the Director of the Mint that India is not credited with the production of one single dollar's worth of silver.

It will be noticed in this connection that the average annual coinage of silver in India was $4,038,089 greater than the average annual excess of the silver production over the silver coinage in the United States. Of course I do not say that England bought and had coined in India the whole of our silver product that we did not coin, but I do insist that she must have bought from this or some other country every dollar's worth of silver that was coined in India during these three years. I do insist also that if the free and unlimited coinage of silver be permitted in the United States we shall have no

SILVER BULLION TO EXPORT

for melting and recoining in foreign countries, and that the supply being diminished without any decrease in the demand an increase in the value of silver would follow by natural and unavoidable consequence. And I insist further that within two years after the authorization of free and unlimited silver coinage in this country England would be unable to buy silver bullion for 80 cents on the 100. Every one must see that this would be inevitable, for every one must realize the absurdity of supposing that any owner of silver will sell 412½ grains of that metal in England for less than it will bring in the United States.

If any one objects that it will also inevitably result from free coinage that we will have all the silver in the world brought to our mints, I reply that such a result is not only not inevitable, but it is absolutely impossible. We have seen that the world's average annual silver coinage is $103,000,000, while the total product of silver is but $114,000,000. Admit that the world can get along with thirty millions less silver money—and certainly no one will have the hardihood to maintain that this is not a liberal, an extravagant reduction, and that every dollar of this silver would be annually added to our money of account—we should still be very far from having all the silver in the world, and would not have one dollar more than could be advantageously and legitimately used in our trade. Add these thirty millions of silver dollars to our circulation each year for fifty years, and though there were no increase whatever in our population in the mean time, at the expiration of the fifty years we would only have the same circulation per capita that France has now.

I think I have shown, Mr. Speaker, that we can only hope to compete successfully with the wheat and cotton of India by depriving England of cheap silver, and that the only means within our own control to accomplish this result is to provide for free and unlimited, unrestricted coinage. I think I have shown also that by adopting this policy we shall infallibly force England to pay a large per cent. increase on the cost of everything she now gets in India, and that we shall thus be enabled to compete with India wheat and cotton in the markets of the world upon comparatively equal terms. I have shown also that the restoration of this equality in competition is indispensable to our profitable export of wheat and cotton to European markets.

Having shown this, I feel justified in saying that I have also shown that, though this particular bill may be defeated, the ultimate passage of a kindred measure is as certain as that the American people possess the intelligence and the power to protect themselves.

It is possible that the great energy and industry of our people, the fertility of our soil, our unparalleled mineral wealth, may so relieve the distress of our toiling millions that they will not demand this particular measure of relief—but some relief they must and will have.

As it is an interesting and instructive study I will submit to the House this table, showing the stock of gold and silver coin and bullion held by the principal countries in the world.

Stock of gold and silver coin and bullion in the principal countries of the world.

Countries.	Population.	Gold.	Silver.	Total.	Per capita.		
					Gold.	Silver.	Total.
United States	58,000,000	$609,000,000	$283,000,000	$892,000,000	$10 50	$4 88	$15 38
Great Britain and Ireland	35,246,562	583,500,000	95,000,000	678,500,000	16 56	2 69	19 25
Dominion of Canada, including Manitoba and Newfoundland	4,506,563	9,326,000	4,500,000	13,826,000	2 07	1 00	3 07
British India	252,541,210	.....	1,037,000,000	1,037,000,000	.....	4 10	4 10
Ceylon	2,758,166	.....	772,000	772,000	.....	28	28
Australia, Tasmania, and New Zealand	2,798,898	65,000,000	5,000,000	70,000,000	23 22	1 79	25 01
Cape of Good Hope	780,757	30,000,000	2,441,000	32,441,000	38 42	3 12	41 54
France	37,672,048	848,000,000	594,900,000	1,442,900,000	22 51	15 79	38 30
Algiers	2,867,626	9,300,000	5,915,000	15,215,000	3 24	2 06	5 30
Guadeloupe	185,460	381,000	281,000	662,000	3 02	1 52	3 58
Belgium	5,585,846	64,000,000	59,500,000	123,500,000	11 46	10 56	22 12
Switzerland	2,846,102	17,000,000	14,700,000	31,700,000	5 97	5 16	11 13
Italy	28,452,639	140,000,000	72,000,000	†212,000,000	4 92	2 53	7 45
Greece	1,979,423	2,702,000	2,702,000	5,404,000	1 36	1 36	2 72
Spain	16,625,860	130,000,000	70,000,000	200,000,000	7 82	4 21	12 03
Cuba	1,394,516	28,181,000	.....	28,181,000	20 20	.....	20 20
Luzon	4,450,191	762,000	2,236,000	2,998,000	17	50	67
Portugal, including Azores and Madeira	4,550,669	30,000,000	10,000,000	40,000,000	6 59	2 20	8 79
Germany	45,235,061	334,420,000	211,480,000	545,900,000	7 39	4 67	12 06
Austria-Hungary	35,839,428	45,000,000	75,000,000	120,000,000	1 26	2 09	3 35
Sweden and Norway	6,479,168	14,296,783	5,138,368	19,435,151	2 21	79	3 00
Danish Kingdom	2,096,400	13,936,000	4,958,000	18,894,000	6 64	2 36	9 00
Netherlands	4,172,921	28,000,000	57,000,000	85,000,000	6 71	13 66	20 37
Russia	98,323,000	‡124,008,153	.....	124,008,153	1 26	.....	1 26
Turkey	24,987,000	39,600,000	35,200,000	74,800,000	1 59	1 41	3 00
Roumania	5,376,000	163,000	11,387,000	11,550,000	03	2 12	2 15
Mexico	9,787,629	10,000,000	40,000,000	50,000,000	1 02	4 09	5 11
Central America	2,891,600	2,318,000	374,000	2,692,000	80	13	93
Argentine Republic	2,540,000	10,000,000	10,720,000	20,720,000	3 93	4 22	8 15
Colombia	3,000,000	.....	4,000,000	4,000,000	.....	1 33	1 33
Peru	3,050,000	62,000	1,820,000	1,882,000	02	60	62
Venezuela	2,075,245	2,000,000	123,000	2,123,000	96	06	1 02
Chili	2,420,500	.....	6,000,000	6,000,000	.....	2 47	2 47
Bolivia	2,325,000	.....	5,400,000	5,400,000	.....	2 32	2 32
Uruguay	438,245	4,601,000	1,000,000	5,601,000	10 49	2 28	12 77
Hayti	572,000	4,000,000	780,000	4,780,000	7 00	1 36	8 36
Japan	36,700,100	92,000,000	44,333,712	36,333,712	2 50	1 21	3 71
Hawaiian Islands	66,895	549,900	950,000	1,499,900	8 20	14 21	22 41
Total	.....	3,292,106,836	2,775,611,080	6,067,717,916	.....	.....	.....

As a reply to the argument that the continuation of silver coinage will drive gold out of the country, let us take a lesson from

GERMANY AND FRANCE.

France, like the United States, adheres to the gold and silver standard, but Germany, like England, has adopted the gold standard. In 1873 France paid Germany $1,000,000,000 in gold; but France, while maintaining the double standard, has already got so much of that gold back that to-day she has $848,000,000 of gold and $595,000,000 of silver, while Germany, attempting to enforce the gold standard, has but $334,000,000 in gold and $211,000,000 in silver.

As an additional proof of how diametrically opposed to the facts were the predictions that gold would leave the country, which were so confidently indulged in by those who opposed the act of 1878 which remonetized silver, I will mention the fact that at the time this act was passed the amount of gold in the country was less than $200,000,000. The last report of the Comptroller of the Currency states that the amount of gold in the country has increased, as I will read:

January, 1879	$278,310,126
November, 1882	547,256,262
November, 1883	581,970,254
November, 1884	585,611,872
November, 1885	586,727,787

It is estimated now that the United States has $609,000,000 in gold coin and bullion, and therefore has more than any gold-standard country, and more than any country in the world except France.

This shows conclusively that our present system does not drive gold away from us, but, on the contrary, draws it to us, for it will be observed that, while our production of gold has been steadily diminishing, our stock of gold has been steadily increasing.

The table which I will now read, giving our imports and exports of gold and silver during the past year, will explain how this addition to our stock of gold has been secured:

Imports and exports of gold during 1885.

Gold bullion imported last year	$11,221,846
Gold coin imported last year	17,842,459
Total imports of gold	29,064,305
Gold bullion exported	395,750
Gold coin exported	8,082,142
Total gold exported	8,477,892
Total gold imported	29,064,305
Excess of imports over exports	20,586,413

Exports and imports of silver during 1885.

Silver bullion exported	$13,272,239
Silver coin exported	20,422,924
Total silver exported	33,695,163
Silver bullion imported	4,530,384
Silver coin imported	12,020,243
Total silver imported	16,550,627
Excess of exports over imports	17,144,536

Silver and gold are governed by the laws of trade, and, like everything else, will seek the highest market. Gold will purchase more silver here than it will in Austria, Russia, Germany, Portugal, and the Latin or Scandinavian states and Great Britain. Silver will

PURCHASE MORE GOLD

in each of these countries than here, and with this fact staring them in the face, and the further fact that we import more gold than we export and export more silver than we import, the opponents of silver coinage keep up the false cry that unless we stop the coinage the United States will become the dumping-ground of all the silver in the world, and that our gold will be absorbed by the gold-standard countries of Europe.

I think I have shown, Mr. Speaker, that every theory of the gold-standard advocates has been proven to be without foundation, and that every anticipation of the friends of silver coinage has been verified. With this experience we advocate the bill now under consideration, which is in these words:

That from and after the passage of this act all holders of silver bullion of the value of $50 or more, standard fineness, shall be entitled to have the same coined into standard silver dollars of 412½ grains troy of standard silver to the dollar, upon like terms and conditions as gold is now coined for private holders; that the standard silver dollar heretofore coined and herein provided for shall be the unit of account and standard of value in like manner as now provided for the gold dollar, and shall be a legal tender for all debts, public and private, except where otherwise stipulated.

SEC. 2. That so much of the provisions of the act of February 28, 1878, entitled "An act to authorize the coinage of the standard silver dollar and restore its legal tender character," as provides for issuing certificates on the deposit of silver dollars, shall be applicable to the coin herein named; and so much of the said act of February 28, 1878, as provides for the purchase of silver bullion to be coined monthly into standard silver dollars be, and the same is hereby, repealed.

SEC. 3. That the Secretary of the Treasury is hereby authorized to adopt such rules and regulations as may be necessary to enforce the provisions of this act.

No one has yet given a satisfactory reason why we should restrict the coinage of silver any more than we should the coinage of gold, and I shall vote for this bill, Mr. Speaker, because it is right and because it is in the interest of the people.

It is a principle which no one will deny, that to increase the value of an article you must find uses for it. I will read a table stating our production of gold and silver for the last forty years:

Production of gold and silver in the United States, annually, from 1845 *to* 1884, *estimated by R. W. Raymond from* 1845 *to* 1873, *inclusive, and by the Director of the Mint since.*

Years.	Estimated product.		
	Gold.	Silver.	Total.
1845	$2,008,327		$1,008,327
1846	1,139,357		1,139,357
1847	889,085		889,085
1848	10,000,000		10,000,000
1849	40,000,000	$50,000	40,050,000
1850	50,000,000	50,000	50,050,000
1851	55,000,000	50,000	55,050,000
1852	60,000,000	50,000	60,050,000
1853	65,000,000	50,000	65,050,000
1854	60,000,000	50,000	60,050,000
1855	55,000,000	50,000	55,050,000
1856	55,000,000	50,000	55,050,000
1857	55,000,000	50,000	55,050,000
1858	50,000,000	500,000	50,500,000
1859	50,000,000	100,000	50,100,000
1860	46,000,000	150,000	46,150,000
1861	43,000,000	2,000,000	45,000,000
1862	39,200,000	4,500,000	43,700,000
1863	40,000,000	8,500,000	48,500,000
1864	46,100,000	11,000,000	57,100,000
1865	53,225,000	11,250,000	64,475,000
1866	53,500,000	10,000,000	63,500,000
1867	41,725,000	13,500,000	65,225,000
1868	48,000,000	12,000,000	60,000,000
1869	49,500,000	12,000,000	61,500,000
1870	50,000,000	16,000,000	66,000,000
1871	43,500,000	23,000,000	66,500,000
1872	36,000,000	28,750,000	64,750,000
1873	36,000,000	35,750,000	71,750,000
1874	33,500,000	37,300,000	70,800,000
1875	33,400,000	31,700,000	65,100,000
1876	39,990,000	38,800,000	78,700,000
1877	46,900,000	39,800,000	86,700,000
1878	51,200,000	45,200,000	96,400,000
1879	38,900,000	40,800,000	79,700,000
1880*	36,000,000	39,200,000	75,200,000
1881*	34,700,000	43,000,000	77,700,000
1882*	32,500,000	46,800,000	79,300,000
1883*	30,000,000	46,200,000	76,200,000
1884*	30,800,000	48,800,000	79,600,000
Total	1,651,568,769	647,050,000	2,298,636,769

*Calendar year.

It will be seen that the greatest amount of silver we have ever produced in one year was $48,800,000. This bill only proposes to coin that portion of the annual product which is not called for in the arts, and not needed for export, and this law would therefore provide a use for all our silver and none would be hunting a market under adverse conditions, necessarily a prey of those who are interested in depreciating its value.

The surprise is that silver has not depreciated, relatively to gold, more than it has. If any product becomes the subject of unfriendly legislation it will of necessity depreciate, and if any product be specially fostered it will by a like necessity become comparatively more valuable.

Gold has been favored by legislation. Its free coinage is provided for by law, and this assists in enhancing its value.

If this bill should pass the coinage of silver would not be increased to the extent claimed by the opponents of the measure.

The coinage of silver since its remonetization in 1878 has been as follows:

1879	$27,227,882	1883	$29,245,989
1880	27,942,437	1884	28,534,866
1881	27,649,966	1885	28,848,959
1882	27,972,035		

Last year we produced $30,800,000 of gold, and the excess of our imports of gold bullion over our exports was $10,826,096, giving total gold bullion available for coinage and the arts of $41,626,096, and coined but $23,724,879, slightly more than one-half.

I have shown that during 1885 we exported $8,741,855 more of silver bullion more than we imported, and deducting this from our total production in 1884 would leave but $40,058,145 for our arts and coinage, and assuming that the proportion of coinage of free silver would not exceed the proportion of coinage of free gold, it would only amount to $22,793,885, which is even less than the amount which, under the present law, is compelled to be coined.

This shows that no great increase of coinage of silver would result from the passage of the bill, and that the effort to alarm the country with predictions of a deluge of silver are groundless.

I do not wish to be understood as insisting that this is all that would

be coined under a free-coinage law. I readily admit that in all probability, under free-coinage, a portion of the silver that would otherwise be exported would be coined at our mints.

I admit that under such a law the imports of silver might increase, and that much of the imported silver might be coined at our mints.

But so long as our ratio is 1 to 16, and the ratio of France is 1 to 15½, and so long as England requires millions of silver annually for India, there can be but little danger that our coinage would be excessive.

A prominent gold-standard advocate has asked me if it would not be possible, under a free-coinage law, for all the surplus silver of the world to be brought to the United States, coined at our mints, and used to

PURCHASE THE LANDS

of our people. I think there could be no injury result to us from this. It would bring us a good population; it would add millions of dollars in coin to our circulating medium of exchange; the value of all our land would be enhanced, and the products of the land and of labor of every kind would necessarily increase in value.

If this would be one of the results threatened by silver opponents I insist it is a strong argument in favor of free-coinage.

Taking all in all, the facts developed since the passage of the coinage bill in 1878 have positively contradicted all the theories advanced by the advocates of the single gold-standard, and when they are confronted with the antagonism between their speculative theories and the actual facts they can only exclaim, So much the worse for the facts!

There is another reason why we should repeal the restrictive feature of the coinage law of 1878. It requires that at least $2,000,000 and not more than $4,000,000 of silver be coined each month. It might be convenient and economical, and consistent with the best interests to coin very largely during some months, and again there might be good reasons why it would be best not to coin any silver at all during certain other months.

The question is asked, what interest have the national banks in demonetizing silver?

I will endeavor to state some facts which will make their interest in this matter more apparent.

On July 1, 1885, the amount of gold in the country was $542,174,633. At that date the banks owned in—

Gold coin	$65,559,947
Gold certificates	72,985,340
Legal-tenders, redeemable in gold	69,738,759
Gold clearing-house certificates	23,614,000
United States certificates	18,000,000
Total	249,899,046

It will be seen that the banks hold substantially one-half of the entire stock of gold in the country. It is plain that if the coinage of silver was stopped this gold would be increased in value and the banks would be correspondingly enriched.

To show what little interest the banks have in silver let me call attention to the fact that of the $278,000,000 of silver in the United States the banks, on July 1, 1885, owned only $11,400,000; and, as a proof that I am correct in my statement that the stoppage of the silver coinage would increase the value of the gold held by the banks, I cite the fact that since Germany stopped the coinage of silver and adopted the single gold standard, gold in that country will purchase 25 per cent. more of the products of labor than it would prior to that action.

I am glad to say, however, that we have at least one national banker who can rise superior to the temptation to swell his gains at the expense of the whole body of the people. I do not pretend to say that we have but one such patriotic and honest banker, but I assert that Mr. John Thompson, the president of the Chase National Bank, of New York, is the only gentleman occupying that position whose published utterances, so far as they have fallen under my notice, are in positive and earnest opposition to the persistent efforts of the banks and money-monarchs of this country to impose the single gold standard upon us to the

OBVIOUS DETRIMENT

of the interests of the tax-payers, and to the equally manifest benefit of the creditor class, the holders of bonds, mortgages, promissory notes, and other evidences of debt, public and private.

I will read a few extracts from this gentleman's remarks upon the silver question, made before the Bankers' Association at Chicago last fall:

* * * Following the lead of Germany; Sweden, Denmark, Norway, and this country demonetized silver; France, Belgium, Spain, and Italy stopped coining it, and in July, 1876, $4 of gold was equal in the London bullion market to $5 in silver. * * *

The debtor class is 10 to 1 of the creditor class; the mortgageors are numerous as compared with the mortgagees. The debtor knows full well that the conversion of silver into merchandise, instead of being monetized, will fully double the burden of his debt. * * *

I regret the necessity of this plain talk and do sincerely hope that some measure can be adopted to perpetuate the double or bimetallic standard. The equities as between debtor and creditor should not be violated. The wheels of prosperity should not be blocked by the conversion of one-half of the basis of our currency and credit into mere property. The extra liability of suspending specie payments should not be incurred.

The most active financial minds of Europe are discussing the "hard times," much of which is attributable to the demonetization of silver. * * *

A most natural question arises, if the silver dollar and its paper equivalent (silver certificates) become our current money, what will be the premium on gold?

So long as European exchanges are in our favor and so long as our exports and imports run about equal, gold will be at but a nominal premium; but should our foreign trade run disastrously against us, involving large shipments of gold, the premium will be equal to the difference between gold and silver in the London bullion market. * * *

The laborer is appealed to to help repudiate silver. I would like to see the laborer who has discovered that a gold dollar buys more bread and butter than a silver or paper dollar. He wants prosperity and employment that he may get the dollar.

Every principle of monetary and economic science for which the advocates of free silver coinage have contended is sanctioned, indorsed, and advocated by this intelligent, sagacious, and honorable bank president, whose selfish interest is presumably identical with that of the great majority of his brother bankers who so clamorously demand the demonetization of silver and the establishment of the single gold standard.

He attributes the existing (relative) depreciation of silver to the same cause that we do. He, like ourselves, recognizes and appreciates the significance and important bearing upon this question of the relative numbers of debtors and creditors in our country whose immediate and remote prosperity is to be affected by the action which we as legislators may take upon this bill. He concedes the truth of the proposition which we have endeavored to emphasize, that the "conversion of silver into merchandise" by depriving it of its legal-tender function will double the burden now borne by the debtor, and regrets, as we do, the necessity that the utterance of plain and homely truths upon the subject should have been rendered necessary by the apparent inclination of some to "violate the equities between debtor and creditor."

If this honorable, high-minded bank president, whose many years of experience have given him a practical familiarity with the subject which we can hardly hope to acquire, can withstand the proffered temptation to augment his wealth at the expense of the great body of the people, what answer shall we, their chosen and trusted representatives, make to them when called on to explain why this grievous wrong was not prevented?

There may be upon this floor gentlemen whose constituencies are composed wholly of the creditors of less fortunate localities, though I have never visited or read of any such district. Still it is possible, but not at all probable, that there may be somewhere in this country a Congressional district in which the creditors outnumber the debtors. That such a representative, intrusted by so exceptionally favored a constituency with the duty of protecting and promoting the individual interests of his people, should feel it to be his duty to oppose this bill and thereby swell the tribute which the rest of the community must pay to their more fortunate brethren I can readily understand.

But even under this almost inconceivable condition of affairs I should feel that such an opponent of the bill was mistaken in his ideas of the duty which his position entailed. I should still entertain the belief, the conviction, that the duty of an American representative should not be limited or bounded by the lines of his own immediate district, but that the obligations of his office required him to do all that lay in his power to guard, shield, and

PROTECT THE PEOPLE

of the whole Union from any and every attempted wrong and injustice.

For a long period the laws of England sought only to pander to every whim and wish of the nobility, but her sagacious statesmen finally saw that the trade of England was her glory, and for years it has received the first consideration of Parliament, and this accounts for her greatly increasing prosperity.

Let America stop legislating for our moneyed nobility, and devote its wisdom to the resuscitation of our prostrate trade and commerce, and we will be able to successfully compete with England in all the markets of the world.

For my own part, Mr. Speaker, whatever opinions others may hold as to their duty to their own immediate constituency and to the people of the whole United States, it is not possible for me to be doubtful regarding my individual duty on this question. The great body of the people of the district I have the honor to represent on this floor are not bondholders and creditors who "toil not, neither do they spin." They are honest, industrious, tax-paying, producing people; and the labor of such people pays every dollar of the expense of our Government, national, State, county, and municipal, together with every dollar of interest and principal of the bonds issued by the Government, by States, by counties, and by cities.

Impoverished but not disheartened, deprived of property amounting to a vast sum by the war and its results, but still retaining their courage and fortitude, they have uncomplainingly submitted to exactions they felt to be inequitable, have patiently, if not smilingly, endured hardships and privations both bitter and mortifying, animated and sustained by an unfailing confidence in their own industry, economy, and self-denial to rehabilitate their fallen fortunes. Relying upon their own sturdy arms, and supported by an unfaltering trust in the justice of the American people, they have toiled and wrought and delved on their farms and in their workshops, hoping and expecting that each succeeding year would bring with it that quickened conscience, that reviving sense of justice in the American Congress which must inevitably lighten their burdens and increase the rewards of their labor.

REPRESENTING SUCH A PEOPLE,

and chosen to represent them because of my life-long devotion to the principles of that political party which is the special champion and defender of the poor and lowly—of the people, I should be false to every trust with which they have honored me, recreant to every obligation the acceptance of those trusts imposed, did I not seek by all honorable and legitimate means to secure the success of this and every kindred measure designed to sweeten the toil of the laborer by increasing the gains which should follow his industry, and to equalize the burdens laid upon the tax-payer by enforcing their more equitable distribution.

I want the laboring men upheld in their manhood, grand, glorious manhood. They are the heroes and the reliance of a republic. They create everything that makes a country great. To them we owe everything which makes a people happy. They brave the winter's cold and toil without a murmur under the scorching summer's sun. Without their honest hands the palatial cities, the railroads, the telegraphs, the steamers, and the teeming farms which now make our country the wonder and the envy of the world could not exist. In the front of battle they bear aloft the banners of our country. They bare their breasts to the terrible assault, and in the deadliest carnage they lead the charge which gives victory to our columns.

God bless the workingmen of America, and may it be the first duty of Congress to provide for their protection and defense.

Silver Coinage.

SPEECH

OF

HON. JOHN R. EDEN,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, March 20, 1886,

On the bill (H. R. 5690) for the free coinage of silver, and for other purposes.

Mr. EDEN said:

Mr. SPEAKER: I do not propose to discuss the silver question or do more than give the reasons for my vote on the pending bill and proposed amendments. I am in favor of bimetallism, and will give no vote which I believe will tend to prevent the use of both gold and silver as the basis of a circulating medium. I am of opinion that the business depression now prevailing and that has prevailed for several years, both in Europe and America, is due largely to the attempt which has in recent years been made, with partial success, to make gold the sole standard of value and the only money metal of the world. Our legislation should all be directed to the restoration of silver to its old place, and no backward step should be taken until that object shall have been accomplished.

Under existing laws the Secretary of the Treasury is required to cause to be coined not less than two million nor more than four million of silver into standard silver dollars each month, and said coin is a full legal tender in the payment of debts. The silver bullion to be coined under this act (act of February 28, 1878) is purchased by the Secretary of the Treasury at its market price as required for purposes of coinage. During the fiscal year ending June 30, 1885, $28,528,552 of standard silver dollars were coined under the act referred to. The seigniorage to the Government upon this coinage was over 18 per cent., or in *round numbers* about $4,500,000, which was covered into the Treasury.

In other words, upon the purchase of silver by the Treasury during the last fiscal year for the coinage of standard silver dollars the bullion value of the silver purchased was on an average 18 per cent. below the coin value thereof, and the profit or seigniorage was paid into the Treasury. According to the report of the Director of the Mint the production of silver from the mines of the United States for the calendar year 1884 was in round numbers $48,000,000. Using that amount as an estimate for the production during the fiscal year ending June 30, 1885, it will be seen (leaving out minor coins) that $28,000,000 of the production was coined into standard silver dollars, and according to the report of the Director of the Mint $20,000,000 of silver bullion was exported. This statement substantially disposes of the domestic production of silver for the year.

There will be two propositions presented to be voted on by the House, as I understand, when final action is taken on the pending bill. The first will be in the form of a substitute providing that after a given day, unless an international agreement shall be reached, the coinage of the standard silver dollar shall be suspended.

I shall vote against this proposition for the reason that I believe the coinage under existing laws has been and will continue to be beneficial to the people, and for the further reason that to suspend the coinage would be a step backward in the march toward the restoration of silver to its old and honored place as one of the money metals.

The other proposition may be best stated in the language of the pending bill:

That from and after the passage of this act all holders of silver bullion of the value of $50 or more, standard fineness, shall be entitled to have the same coined into standard silver dollars of 412½ grains troy of standard silver to the dollar, upon like terms and conditions as gold is now coined for private holders; that the standard silver dollar heretofore coined and herein provided for shall be the unit of account and standard of value in like manner as now provided for the gold dollar, &c.

Now, this proposition looks fair; but is it fair? We have nearly $3 of gold coin in this country to $1 of silver coin. There is a difference of about 18 cents in the value of the bullion in a silver dollar and that in a gold dollar. When the Government coins a silver dollar there is, by the act of the Government in giving it a legal-tender quality, 18 cents added to its value for purposes of domestic circulation. It is of no more value as bullion, or for exportation, or to pay a foreign debt than it was before it went to the Mint. Hence, under this bill, the bonanza king who owns a silver mine and has on hand $1,000,000 of silver bullion has added to his wealth $180,000; and supposing that the owners of silver mines now have on hand $10,000,000 silver bullion, the passage of this act will add to their property nearly $2,000,000, which, under the present law, would go into the Treasury. But this is not the worst feature of the bill.

This bounty of the Government is not limited to our own people. Under the operations of this bill the holders of silver bullion the world over may be able to bring it to our mints and have it coined at our expense into standard silver dollars, and exchange the silver coin for our gold coin and export it to England, Germany, or France, where not a dollar of silver is allowed to be coined as full legal tender. This bill opens a way for Germany to get rid of her stock of silver, for which she has been seeking a market ever since her attempted establishment of the single gold standard, and have it coined into legal-tender dollars, which may be exchanged at par with our gold coins and transported to Germany. I can conceive of no better method of insuring the success of the European nations in permanently establishing gold monometallism than by the passage of this bill.

Mr. Speaker, I ask this House to consider the effect the passage of this bill will have on the coinage of gold in the United States. I presume the most ardent friend of the bill does not expect its passage to result in appreciating the value of silver so that our silver dollar will be equal in value to our gold dollar in the markets of the world. Then why should the holder of gold bullion take it to our mints for coinage at a valuation much below that of silver, when the coin value of the gold dollar will be no more than the coin value of the silver dollar? He can exchange his gold bullion for purposes of exportation for silver bullion for purposes of coinage, at a profit of 18 per cent. at present prices. Hence, if this bill passes, the silver bullion will all be coined and the gold bullion will all be exported.

I know that we have in the course of this debate been reminded of the fact that a large amount of silver bullion has been exported since the passage of what is called the Bland act. That is very true, and will so continue as long as the United States Government is a purchaser at its market value of a limited amount of silver bullion. The value of silver bullion at our mints is measured by its commercial value. What our Government does not want for coinage and our people do not purchase for other uses will go abroad where people do want it. If we by an arbitrary law give an artificial value to silver bullion over its value in the markets of the world, it will as naturally come here as the waters of the Mississippi flow into the Gulf of Mexico. If, on the other hand, we exclude gold bullion from our mints by undervaluing it from 10 to 20 per cent., it will naturally flow out of the country in search of a more friendly purchaser.

Silver monometallism would prove even more disastrous to the country than gold monometallism. This bill discriminates against gold in such a manner and to such an extent as will surely drive it from our mints. It will find its way to the mints of Europe, where it is estimated at its real value.

This objection to the passage of the bill might be obviated by an amendment providing that the Government, "in adjusting the account of gold and silver bullion coined under the provisions of this act, shall retain for the United States the difference at the date of coinage between the commercial value of bullion so coined and the coin value thereof, and the sums so retained in coined money shall be from time to time covered into the Treasury." I understand the gentleman from Indiana [Mr. HOLMAN] will, if he can get the floor for that purpose, offer an amendment to the bill such as I have indicated. The adoption of such an amendment would open the mints and make them free to all holders of both gold and silver bullion upon equal terms, with no discrimination against either.

The Government would retain the profit on the coinage of both gold and silver, and there would be no premium offered to the people of foreign governments to send their silver to our mints for coinage. It is true the millionaire mine owners would by the adoption of this amendment be cut off from their millions of profits this bill, should it become a law, will divert from the Treasury and bestow upon them. To give some idea of the enormous amount there is in this bill for the benefit of the owners of silver bullion, I refer to the fact that during

seven years, beginning at the passage of the Bland law in 1878, the profits on the coinage of the standard silver dollar amounted to over $25,000,000, every farthing of which went into the Treasury.

Under the operation of this bill, should it become a law, every farthing of the profit on the coinage of the standard silver dollar will in the future go into the pockets of the holders of silver bullion. Without amendment I will vote against the bill. I voted for the Bland act as it now stands and I will not vote to repeal or change it unless we can get something better. If we by our legislation exclude either gold or silver from our mints, we thereby strike a fatal blow at bimetallism. I shall vote against this bill because, in my opinion, under its operation gold will be excluded from our mints and silver monometallism will speedily follow in this country. I can not foresee all the evil consequences that would ensue, and will not undertake to point them out. That all values would be unsettled and all business operations would be thrown into confusion seem to be the natural consequences that would follow such a radical change in our monetary system.

Forfeiture of Railroad Land Grants.

SPEECH

OF

HON. WILKINSON CALL,

OF FLORIDA,

IN THE SENATE OF THE UNITED STATES,

Wednesday, April 7, 1886.

The Senate having under consideration the following resolution, submitted by Mr. CALL January 28, 1886:

"*Resolved*, That all railroad land grants heretofore made where the land was not earned by the completion of the line of railroad and the performance of the conditions required by the granting act within the time required therein, and where the time has not been extended by an act of Congress, or shall not hereafter be extended, shall be declared forfeited and opened to homestead entry and cash entry in small bodies, securing to actual settlers the preferred right in all cases to make entries of their homes to the extent of 160 acres, and confirming to all purchasers of town sites, where lots have been sold and improvements made, their title to the same.

"And the Committee on Public Lands is hereby instructed to report a bill to this effect to the Senate"—

Mr. CALL said:

Mr. PRESIDENT: The United States have granted over 150,000,000 acres of the public lands for the construction of railroads, an area more than five times as great as the State of Florida, which is one of the largest States in area in the Union. It is not my purpose to argue the policy of making these grants. A great public object has been accomplished by it. Perhaps it might have been done much better for the interests of the country than in the manner in which it has been done. No doubt there should have been reserved to the United States some portion of the receipts of these properties created out of a donation of the public land, something to contribute to the cause of education, something to relieve the burdens of taxation.

But it is not in regard to the general relations of this subject to the whole Union that I propose to address the Senate to-day. It is in reference to some of the grants made to the State of Florida, and their relations to the people of that State and to the development of the State. The area of land in the State of Florida is 59,268 square miles—35,715,600 acres, by survey and estimation. For school purposes the United States granted by the act of 1845 908,503 acres, and for a university 92,000 acres by the act of March 3, 1845. The swamp and overflowed land grant to the State had selected from 1850 to 1880 15,626,859.23 acres. To that amount there has been added since that time 2,000,000 of the remaining public land, and under the grant of 1856 2,275,570.53 acres. There remained unsurveyed in the area of the State in 1880, by the report of the Interior Department as contained in the History of the Public Domain, an official document published by that Department in 1883, 7,756,493 acres, supposed to be largely covered by the swamp and overflowed land grant to the State. This leaves from the entire area of the State 7,056,680 acres out of the 35,000,000 acres in the entire area of the State for private settlement under cash entries and the various land sales which have been made by the United States. The sum of 7,056,680 acres only out of 35,000,000 acres, the entire area of the State, remains ungranted to the State under the swamp and overflowed land-grant act and under the acts granting aid to the State for the construction of railroads, and for other purposes, being less than one-third of the entire area of the State, which cost the Government of the United States between $6,000,000 and $7,000,000 in actual expenditure, that have been and are available for purposes of entry under cash entry and homestead entry in the State.

The United States granted by an act approved the 17th of May, 1856, "to the State of Florida, for the purpose of aiding in the construction of railroads from Saint John's River, at Jacksonville, to the waters of Escambia Bay, at or near Pensacola; and from Amelia Island, on the Atlantic, to the waters of Tampa Bay, with a branch to Cedar Keys, on the Gulf of Mexico; and also a railroad from Pensacola to the State line of Alabama, in the direction of Montgomery, every alternate section of land designated by odd numbers for six sections in width on each side of each of said roads and branch. * * * And if any or either of said roads or branch is not completed within ten years no further sales shall be made, and the lands unsold shall revert to the United States." That is the language of the act. It is an imperative command, an exercise of the sovereign legislative will, and I have not been able to perceive by what process of reasoning any court had authority or power to veto this positive and absolute command of the law, this expression of the sovereign legislative will of the people in Congress assembled. Under this act several railroad companies were provided for, namely, the Florida Railroad Company, the name of which has been changed successively to the Atlantic and West India Transit Company, and then to the Florida Navigation and Railway Company; also the Pensacola and Georgia Railroad Company; also the Florida, Atlantic and Gulf Railroad Company; and in 1866 the roads were not completed, and the road from Waldo to Tampa is not completed at this time.

The land granted, under this act beyond the point to which these roads were completed at the expiration of the ten years when it expired, is now proposed by the bill which has been referred to the Committee on Public Lands to be forfeited, because the act contained within it a provision that if not completed to Tampa Bay on the one side and to Pensacola on the other, within ten years from the date of the passage of that act, the land should revert to the United States.

I call attention to an extract from the Public Domain, an official document published by Congress, a statement which I will print in an appendix to my remarks marked "A."

The road to Tampa is not even now, thirty years from the time of the grant, completed, and the road to Pensacola was completed by a new and different company, commencing in 1881, fifteen years after the grant expired. It is my intention now to present to the Senate, to the country, and to the people of Florida the peculiar condition in which this grant stands to the interests of the whole people and to the law. In 1856 railroad corporations were organized in the State of Florida under acts of the Legislature of Florida, which accepted and became bound by an act of the Legislature known as the internal-improvement act, the sections of which, important to this subject, will be found in the appendix marked "B."

I also read the first section of an act to amend "An act incorporating the Florida Railroad Company."

That the act incorporating the Florida Railroad Company, approved the 8th day of January, A. D. 1853, is hereby amended so that the said company shall have power to construct the railroad from Amelia Island, on the Atlantic, to the waters of Tampa Bay, in South Florida, with an extension to Cedar Key, in East Florida, under the provisions of an act to provide for and encourage a liberal system of internal improvements in this State, approved the 6th day of January, A. D. 1855.

There had been a previous charter granted by the State to construct the road to the Gulf of Mexico, with the following provisions:

SEC. 2. *Be it further enacted*, That the said railroad shall commence in East Florida, upon some tributary of the Atlantic Ocean, within the limits of the State of Florida, having a sufficient outlet to the ocean to admit of the passage of sea steamers, and shall run through the eastern and southern part of the State, in the most eligible direction, to some point, bay, arm, or tributary of the Gulf of Mexico, in South Florida, south of the Suwanee River, having a sufficient outlet for sea steamers, to be determined by a competent engineer, with the approval of a majority of the directors of said company.

SEC. 3. *Be it further enacted*, That the capital stock of said company shall be $1,000,000, divided into shares of $100 each. * * * Each subscriber shall, at the time of his subscription, pay to said commissioners $1 on each share subscribed for, and the books of subscription at each of the above-mentioned places shall be kept open for the space of sixty days, at the expiration of which time they shall be closed.

The act provided that upon the subscription of 1 per cent. of the total amount of $1,000,000 of capital stock the railroad should become a corporation and authorized to construct the road. The $1,000,000 was subscribed, the 1 per cent. nominally paid, immediately returned to the stockholders, and from that time to this it remains unpaid. The stock subscription has never been paid; but the State of Florida under the provisions of that act, through the internal-improvement fund, paid out of the proceeds of these sales of the public lands granted by the United States to the State under the swamp and overflowed land grant and the internal-improvement land grant $90,000, being the only paid-up stockholder that existed in the road from the beginning to the end.

Under that condition of things, which is verified by the answers that I read from the testimony taken in a cause pending in the circuit court of the United States at Jacksonville, it is abundantly proved that here was a railroad corporation with its stock subscribed for and never paid, held chiefly by two individuals, and from that day to this remaining unpaid. I read from the testimony of Joseph Finnegan, a witness in that case, on the one hundred and thirty-first page of the record of the circuit court of the United States, in the case of Robert H. Johnson against the Florida Railroad Company:

I was the receiver or person to whom the money was to be paid, and there was no money paid on this subscription. There was no payment ever made in money on the capital stock subscribed for as above stated by the association, but at a meeting of the above stockholders, held immediately after the books were closed at the Buffington House, the following board of directors were elected: D. L. Yulee, George W. Call, J. H. Bronson, Philip Dell, George R. Fairbanks, A. H. Cole, Thomas O. Holmes, and John Parsons, and myself, the

board of directors electing D. L. Yulee as president, and George W. Call as secretary and treasurer.

At a meeting of the directors $2,000 salary was allowed the president and $1,500 to me as treasurer, $1,500 to George W. Call as secretary; this amount was credited as a payment on our stock.

There was no other payment on the subscriptions for stock made as above stated, except $20,000, which was the estimated value of the land purchased from George Law and referred to in the preceding testimony, until it was transferred to the Florida Railroad Company.

The proceeds of that sale were credited on the stock of the associates.

No other payment was ever made in money on the stock subscribed for by the associates, as I have before stated, during my connection with the Florida Railroad Company.

There was no money paid or actually to be paid on the contract; they have no cash subscriptions, no available means. Their only means consisted of the bonds under the internal-improvement act and the lands donated under the act, and the two town sites, which were in a wild condition, and without population.

* * * * * * *

Upon this assurance and guarantee of Mr. Yulee that Moses Taylor and Marshall O. Roberts, of New York, were the real parties with whom I was dealing, and that they were responsible for and would make good the engagements of Mr. Dickerson in the contract, and would pay all the debts of Finnegan & Co., and would return our notes, and the additional assurance that they would put large capital into the enterprise and put a line of steamers at both ends of the road immediately on completion, the contract was executed with Mr. Dickinson. In pursuance of the obligations of that contract Finnegan & Co. transferred to David L. Yulee all their bonds and stock to be held by him in trust, to secure the performance of the contract by said Edward N. Dickerson, and a written agreement to that effect was signed by the said Dickerson, Finnegan, and Cole, and witnessed by said Yulee, and the said trust accepted by the said D. L. Yulee.

* * * * * * *

Mr. Dickerson never did carry out the contract or agreement with Finegan & Co. He failed to take up some of the notes of Finegan & Co., and I had to pay them myself. In fact, all the engagements of Finegan & Co. which were performed after that date and all the outstandinging debts were taken up by the Florida Railroad Company in its corporate capacity. [NOTE.—Complainant's counsel here offers in evidence memorandum of agreement marked Exhibit C in the bill of Yulee *vs.* Vose, and is hereto attached as Exhibit B, by consent of defendants' counsel, in lieu of the original on file in this court.] In reality, after I gave up the contract the Florida Railroad Company finished the road to Cedar Key.

* * * * * * *

If the powers contained in the two trust deeds creating the trust and the provisions contained in the second deed of trust for the protection of the free-land bonds, requiring an assessment of the stock ½ per cent. semi-annually, had been faithfully carried into effect the trustees would then have had ample means to have paid the interest and expenses and protected the trust.

This provision for a sinking fund by assessment of the stock was never carried into effect by the trustees. It required the trustees to take possession of the road and its franchises upon the failure of the company to pay the 1 per cent. annually assessed to the stock of the trustees.

* * * * * * *

The internal improvement fund owned more than $90,000 in paid-up stock in the Florida Railroad Company.

Mr. Dickinson and Mr. Yulee held a large majority of the unpaid stock.

The 32,000 bonds alluded to by me in the preceding as paid in Ed. M. Dickerson for purchase-money are numbered as follows: 1042, 1045, 1044, 1037, 1038, 1039, 1032, 1034, 724, 723, 1048, 1035, 1033, 1046, 725, 1036, 1047, 891, and 890, 1233, 1246, 1247, 1248, 1249, 1251, 1255, 1257, 1258, 1261, 1263, 1267, 1253.

On the 14th November, '59, I sent to New York a check on Riggs & Co., New York, $1,135, to take up the notes of Finegan & Co. Afterward Mr. Yulee gave me three internal improvement bonds as security for this amount.

JOSEPH FINEGAN.

It is agreed between Joseph Finegan & Co. and Edwin N. Dickerson, that the various bonds and certificates of stock conveyed by Joseph Finegan & Co. to Edwin N. Dickerson, under an agreement dated May 24, 1858, shall be held by David L. Yulee to secure the performance of the said contract by said Edwin N. Dickerson, and that the said Yulee shall release and deliver to said Dickerson the said bonds and stock as he satisfies the debts contracted to be paid by him for said Finegan & Co., and in proportion to the amounts discharged and paid.

Dated May 29, 1859.

EDW'D N. DICKERSON.
JOSEPH FINEGAN.
A. H. COLE.

I know that $32,000 of the bonds paid in by Edward N. Dickerson as the purchase-money for the town sites of Fernandina and Cedar Key to John McRae, trustee, were the same bonds which I had paid in for lots bought from trustees, and which were required to be canceled under the trust deed.

I have compared the numbers of these bonds with the numbers which John McRae received for the town sites, and I know that they are the same. Mr. Yulee was not a man of large property, and what he possessed was, I think, encumbered by mortgages.

Further on Mr. Yulee testifies that this money was a loan; and I read from his testimony:

But I will now say, further, that it was not expected that the gentlemen composing what was called "The Association" could furnish the means to build the road. It was known they could not.

I procured also the passage of the "internal-improvement act" by the State, whereby a good bonded security for $10,000 per mile, to iron and equip the road, and a grant of alternate sections of State lands were obtained. I also procured a grant of alternate sections of public lands from the United States. These assets seemed sufficient for the construction of the road. They were all put into the treasury of the corporation and devoted to the uses of the enterprise. They were all by mortgages made, primarily, appropriate to construction. The means for construction were obtained upon the credit of this property and of the road to be constructed, and not upon the credit of the stock. The only benefit the stockholders could derive would be in dividends of earnings after the construction and maintenance of the road was fully paid.

D. L. Yulee to George W. Call:

"But how stands the matter? We call for the restoration of the first 1 per cent., which was loaned to the subscribers till called for (I have faithfully regarded this as a loan, and have held myself in law and honor bound for the whole sum to the company, being myself responsible for it), and we also call for something further."

I do not know if the bonds specified by witness were paid in by Mr. Dickerson to the trustees. It is quite possible they were. The bonds he enumerates were in the hands of Mr. Soutter, one of the trustees.

* * * * * * *

In pursuance of a resolution of the board of directors a stock dividend is declared of $1.59 per share out of proceeds of land sales, there being $10,220 shares which is $16,249.80, and the balance carried to reserve-fund account, $73.45.

* * * * * * *

I find that he credits cash and charges himself with $245,526.98, derived mostly from four installments of 1 per cent. each, and two installments of 10 per cent. each, and further credits stock on account of land and interest dividends with $119,395.81, making altogether, up to September, 1859, at which date the entries in this book cease, a credit on stock of $364,922.79.

Mr. Yulee testifies further:

The contractors furnished the collaterals, paid for fastenings, duties, expenses of transportation, expense of laying, &c., themselves. The company did nothing but give their notes for the material secured by the bonds and subject to the risk of the inadequacy of the bonds to cover the debt. The bonds placed as collateral were always sufficient to cover the debt at a valuation of 80 per cent.

The fact then appears abundantly established in this record and consented to by all parties that here was a railroad company, with the great majority of its stock unpaid, on which no considerable amount was ever paid, and held by parties who paid little or nothing for it, while the State through the internal-improvement fund had become a cash stockholder to the extent of $90,000. Under an alleged authority contained in the internal-improvement act in 1866 this road was sold by the provisional trustees of the State of Florida, the officers of the provisional government, the governor, comptroller, the attorney-general, and treasurer of the State being *ex officio* under the law trustees for the State of this property. The act provided that the road should not be sold until after completion for any default in the payment of the interest or principal upon the bonds that had been issued; but without reference to that, without any judicial proceedings, this property was sold, and it was bought by a person who owned the unpaid subscriptions for stock of the railroad company, and who was obligated to pay them. It was bought with the statutory bonds of the road, which had twenty years to run, at an estimated value of 20 cents on the dollar—a very extraordinary proceeding, to pay for a property with its unmatured obligations having twenty years to run. The parties purchasing this road had become connected with its unpaid stock by assuming to pay the debts of the contractors who had built the road, as appears in this testimony.

I said I thought it advisable to specify the debts owing by this company to parties residing in the United States (now at war with this Government), which were contracted on account and in behalf of the contractors, Edward N. Dickerson & Co. The obligations of this company (Florida railroad) were given, but the collateral security, in every case large, was furnished to the company by the contractors, to be placed with the notes as security to the company, as well as the creditors.

The convenience of the company name in these cases was afforded to the contractors for reasons useful to the object of the company, but without any agreed pecuniary considerations.

The notes given by the company in the place of the contractors under this arrangement were as follows:

Table showing the amount and kind of collaterals.

Name of payees.	Amount.	Free-land bonds.	Internal improvement bonds.
Vose, Livingston & Co	$156,201 62		$195,000 00
Ebbavale & Co	298,370 29		388,000 00
Riggs & Co	59,999 99	$106,000 00	56,000 00
Elisha Riggs	9,999 99	14,000 00	12,000 00
Gelpke, Kentzen & Rechart	47,600 00	56,000 00	49,000 00
Harlan & Hollingsworth	2,942 31	4,000 00	2,000 00
Taunton Locomotive Manufacturing Company	7,756 03	14,000 00	
M. C. Jessup & Co	1,609 00	2,000 00	
Corydon Wynch	3,363 28	9,000 00	
George E. Dascomb	1,068 56	2,000 00	
Danforth, Cook & Co	16,155 10		27,000 00
James Tinker	25,779 08		*35,000 00
Total	630,845 25	207,000 00	764,000 00

* About.

D. L. YULEE.

Sworn to and subscribed before me, at Fernandina, this 16th day of February, A. D. 1880.

[SEAL.] CHARLES W. LEWIS,
United States Commissioner for the Northern District of Florida.

It is that with which we have principally to deal now. This obligation was that of Mr. Dickerson, who became the contractor and the assignee of the preceding contractors and obligated himself to pay this note. It was not paid. It ran up into the large sum of $1,000,000, including costs and expenses. For that obligation the State paid 4,000,000 acres of the public land, netting the amount of $1,000,000. The school fund of the State, the proceeds of these 900,000 acres, was sold under an order of Mr. Justice Woods, then of the circuit court of the United States, to pay this debt.

Thus it was that the school fund of the State, and a million dollars of proceeds of the sales of the public lands, were paid to make good the default of this purchaser of the railroad company who then and now retains that property, or did until a short period ago.

We have then a railroad the entire cash stock of which is paid for by the State and the unpaid stock subscribed for and never paid, being an obligation resting upon the subscribers and those who assumed the obligation in place of them. We have a sale of the road and a purchase of it by its non-paying stockholder and its non-paying contractor. We

have the school fund of the State sold and a million dollars of the public money of the State, the result of the proceeds of the sales of public lands sold to pay this debt.

Whatever denials are made in general terms, whatever elaborate and ingenious explanations and statements are made in the record which contains these statements, it remains true that the 1 per cent. required to be paid on the organization of the company was only nominally paid and then returned to the subscribing stockholders, and never thereafter paid; that the majority of its stock was never paid.

That they had acquired the stock by an obligation to pay the debts of this road, which obligation they had never performed; but they had been paid by substituting the notes of the railroad company, in which the State was the only cash stockholder, through its internal improvement fund, for the obligations of the preceding contractors. The spectacle was thus presented of a road built out of the lands donated by the United States to the State of Florida, without any payment upon its stock subscription, and by the substitution of the notes of the railroad company for the notes of its contractors which had been obligated to be paid by the persons who made the purchase, and a purchase of the property by the non-paying contractors and payment for it with the obligations which they were themselves bound to pay.

Had their default in payment not been made the debts of the road would have been paid entirely by the persons who held its unpaid stock. Among the obligations thus assumed was an obligation of Vose, Livingston & Co. of which Mr. Yulee testifies as follows:

I had added to the obligations of the company my own individual indorsements in the case of Vose, Livingston & Co., and in several other instances where it was required to satisfy creditors. The bonds of the company had become much depreciated in the market from various causes, but I knew the internal-improvement bonds to be intrinsically worth par and that their face value was certainly realizable at some time from the internal-improvement fund and the road, and relied upon them for my security. I will add that similar support was given to the contractors before the transfer to E. N. Dickerson and without as good security to the company—notably in the cases of the contract with Drane and Singletary in 1857, and of three contracts with McDowell and Callahan in 1858. In the Drane and Singletary case, at a meeting of the board of directors on the 12th of December, 1857, Finegan & Co. being contractors, the officers of the company were authorized to execute a bond to Drane and Singletary as surety for the due performance of a contract with said Drane and Singletary on the 12th November, 1857, for the performance of certain work on the railroad.

Thus it appears that the internal-improvement fund was a paid up stockholder to the amount of $90,000; that the subsequent purchaser of the road and its franchise at the alleged trustees' sale (Mr. E. N. Dickerson) was the owner and holder of this unpaid stock and subject to all the obligations of its original subscribers under a contract with Finegan & Co. to assume and pay their debts and obligations as contractors; that among these debts was that of Vose, Livingston & Co.; that the note of the Florida Railroad Company was given for this debt; that Mr. Dickerson and his associates did not pay this debt, but the people of Florida through the internal-improvement fund did pay it by the sale of the securities of the school fund by Judge Wood of the United States circuit court, and by the sale of 4,000,000 acres of the swamp and overflowed and the internal-improvement land grant for $1,000,000 in 1881; that these facts are proved by the testimony of all the witnesses in the record who testify on the subject. The result of this state of facts was that the railroad and its franchise and whatever rights, if any, existed to the land grant of 1856 from Waldo to Tampa were claimed to be the property of Mr. E. N. Dickerson and associates, the purchaser at the alleged trustees' sale in 1866, the non-paying stockholders, the assignee of the contract of Finegan & Co., whose contract was performed by the railroad company and whose obligations the people of the State paid, while the internal-improvement fund of the State, the only paid-up stockholder, had nothing but the right of losing the State's money and her school fund and paying the debts of the railroad company and the non-paying stockholders and contractors, who thus became the corporation, and after the lapse of fourteen years from that time and from the expiration of the time at which the act commanded that the lands should revert to the people of the United States, to be appropriated under the laws of the United States to the use of actual settlers and to homesteaders, these persons as a corporation and their successors claim the 576,000 acres of this grant from Waldo to Tampa as their property, and at the same time that they make this claim they are in the United States court by their trustee swearing that they are an insolvent corporation, and we are now required to decide whether these persons have either legal or equitable claim to this 576,000 acres of land, and whether it shall now be a gift by the United States to them or shall be declared forfeited and subject it to the use of the people for homes for actual settlers.

I propose to investigate this question and to prove that this grant of land has not been applied and is not intended to be applied to the construction of a railroad from Waldo to Tampa, but that it has been and is to be used and has already been conveyed to the owners of the unpaid stock of the Florida, Atlantic and West India Transit Company as their individual property and for their personal use. I propose, further, to prove that this corporation is an insolvent corporation, and has become insolvent not by the use of its credit in the improvement of the property, but by the pretended issue of bonds and securities of the corporate property for some other use, and presumably for and in the interest of and still held by the same parties who were interested in the alleged purchase at the trustees' sale of 1866, who have not only received the whole of this great property, but also the securities issued by it, without applying any part of it to the preservation and improvement of the great highways of commerce required by the charter to be created and kept up for the benefit of the people.

I propose further to prove that 5, 10, and 25 per cent. of this grant instead of being applied twenty years after its expiration to the building of the railroad to Tampa has been contracted to be paid by these pretended owners of this property as a consideration in part according to the sworn statements of their agent in a cause pending in the courts of the United States for depriving actual settlers on the public domain of their homes and settlements to the extent of at least 20,000 acres, and this was an offense against both the criminal and civil laws of the United States. I propose to prove also by their own statements that fifteen years after this grant expired these persons, in defiance of the Secretary of the Interior, have openly advertised and sold this land of the United States, and dispossessed without law the settlers who were guaranteed in their rights by the laws of the United States.

I have here a record from the United States circuit court for the State of Florida. That record consists of a bill filed by one Sidney I. Wailes, being the agent of this company. I should remark, however, that these transactions occurred in the year 1866, immediately succeeding the close of the war; that in the year 1876, Mr. Zachariah Chandler being the Secretary of the Interior, and there never having been any part of the road from Waldo to Tampa Bay constructed or commenced to be constructed, and by the terms of the act it having expired in 1866, the ten years then being out, an application was made to Mr. Chandler in the year 1878 to reserve this grant, consisting of 576,000 acres of public lands, from public entry and settlement. He denied the application upon the ground that the act had expired by its own limitation, that no location of the road had been made, and he opened these lands to public settlement and homestead entry. In the year 1880–'81 a new company commenced the construction of this road, and an application was made to Mr. Schurz to make the reservation which had been refused by Mr. Chandler under the act which, by its terms, had expired in 1866. Mr. Schurz granted that application, and reserved this 576,000 acres of land from public entry for purposes of the railroad, and it has remained reserved from that time to this. In the mean time this company proceeded to construct the line from Ocala to Tampa Bay and have now completed about two-thirds of it.

This record by Mr. Wailes exhibits the fact that these 576,000 acres, being the portion belonging to the line from Waldo to Tampa Bay, have not been applied to the construction of this road; that every portion of it has been conveyed to the stockholders and contractors, who never paid for their stock, with whom the State was the only cash stockholder; and that every acre of this grant of 576,000 acres has been conveyed to Mr. E. N. Dickerson by a deed from this company as a security and in part payment of the purchase-money of the road built and completed before the war.

It is the most extraordinary thing that has ever occurred in the history of this country, and exhibits with what audacity and impunity the Congress of the United States, the courts of the United States, and the Executive Departments of the United States are used in the interests of those who have no equitable claim, no legal claim, nothing but the most audacious assertion of rights which have no foundation in the action of Congress or in the decision of the courts.

This is a record of the circuit court of the United States for the district of Florida, and will develop another very extraordinary proceeding; and I desire to call the attention of the Judiciary Committee of the Senate and of those elsewhere who are charged with the duty and power of seeing that the laws are faithfully administered and applied and executed to the condition of law which permits such an outrage upon justice and right, such an outrage upon honesty and upon the interests of the people. It is not creditable to us who hold the legislative power in this country that the condition of the law should be allowed to be such as to permit the existence of evils such as I have been depicting here.

Mr. Wailes states as follows in the bill of complaint to which he has made oath in the cause now pending in the circuit court of the United States for the northern district of Florida:

Your orator avers that disregarding the premises and the rights of your orator hereinbefore stated, the said company recently, to wit, on or about the 9th day of June, A. D. 1885, obtained a loan of about $140,000 and secured the payment of the same by encumbering or conveying about 85,000 acres of its most valuable lands situate south of Panasoffkee aforesaid, by executing to defendant, J. A. Johnson, trustee, an instrument in writing, of which a copy is hereto annexed or filed herewith marked Exhibit E, and which your orator prays may be taken as a part of this bill, and applied said moneys, to wit, said $140,000 to the payment of several years of arrears of taxes due the State of Florida and assessed upon its constructed road and property appurtenant thereto, not including, however, the said 85,000 acres of land.

Your orator avers that since the said Atlantic, Gulf and West Indies Transit Company entered into the said contract with your orator the said company, or some one or more of its successors or assigns, but which of them your orator does not know, conveyed to the defendant, Edward N. Dickerson, all of the lands included in said granting acts of Congress, embracing all lists of selections thereof which had been approved by the Secretary of the Interior, if any, at the date of such conveyance and unsold, as well as all other lands within said granting acts, lists of which have been filed with and in the General Land Office, or had not been made; that such conveyance was made in trust to said Dickerson to secure to him the payment of large sums of money which some one or

more persons, whose names are now to your orator unknown, but who, when discovered, your orator prays may be made parties defendant to this bill, had contracted to pay said Dickerson, as your orator is informed and believes and upon information and belief alleges, as a consideration for the shares of stock held by the said Dickerson in the said Atlantic, Gulf and West Indies Transit Company, or in one of the successors or assigns of the said company, and which said person or persons had purchased from the said Dickerson.

Your orator avers on like information, and believes it to be the truth, that said Dickerson did own or control a large portion of the capital stock of said last-named company, and some time about the year A. D. 1882 did sell his said stock in said company, or in one of the said companies which became the successor and assignee of the said Atlantic, Gulf and West India Transit Company, for a large sum of money, and said deed of trust was executed to said Dickerson to secure the payment of the said moneys. That the existence of said deed of trust was not known to your orator, and your orator avers that he had no knowledge of the existence of said deed, nor any information with respect to same until about May, A. D., 1884, when he became land commissioner.

That about the —— day of May, A. D. 1884, the said Dickerson reconveyed to defendant company a large body of said land, including the 85,000 acres, on the credit of which the said $140,000 was borrowed or obtained as aforesaid; the said Dickerson being amply secured for the balance of the said moneys due him for stock sold as aforesaid by the portion thereof remaining in said Dickerson under said deed of trust to him.

Your orator avers that said defendant Dickerson has sold through Charles W. Lewis, an agent of said company, and conveyed some of the indemnity lands for which he has received the sum of about ten or twelve thousand dollars, of which sum your orator is entitled to have 25 per cent. under said contract, which your orator has not received and which your orator insists the said defendant company or the said Dickerson should account for to your orator, such sale having been made without the consent or knowledge of your orator.

Think of such compensation for obtaining lands which, if there had been any foundation for the claim, the legislation of the Congress of the United States had granted. What was there to do? It is very difficult to see what proper influences or efforts could be used by an agent or attorney to induce the then Secretary of the Interior to perform an act which if there had been any subsisting grant would have been imperative on him, which justified the allowance of 5, 10, or 25 per cent., being in some cases a quarter of the grant of 576,000 acres to an individual for services when there were no services to be performed!

It seems that this land grant given by Congress to construct a line of road to Tampa Bay has been applied to paying the taxes upon a road completed before the year 1866, completed before the war in fact, and to giving an agent 5, 10, 25 per cent., and for the payment to Mr. Dickerson for the road built and paid for by the State out of United States land grants before the war, and that for these purposes the actual settlers, guaranteed by the laws of the United States in their right to the public domain, have been dispossessed and their land, which was given them by the Government, sold to them at prices from three to five dollars an acre.

I desire to call the attention of the country and the Senate to the fact that here was a grant made in 1856 for the construction of a road that by its imperative terms it was required should revert to the United States in 1866 if the road was not built; that the road was not built and is not to-day built; that fifteen years after that, when the Secretary of the Interior had refused to recognize the grant, certain parties without equity and without right, who had never paid for their stock, whose debts the State had paid, the road being constructed as appears in this record entirely from the donations of the public land of the United States, applied for this reservation and it was set aside; that these same parties sold the franchise of the road, and that the purchasers conveyed every acre of this inchoate grant to the owners and vendors of the property constructed in 1860, and that they are now selling the land, depriving the actual settlers of the opportunity of homestead and purchase.

The honorable Senator from Vermont who is not now in his seat has had some correspondence which I have before me with the Secretary of the Interior, in which he calls attention to the flagrant wrong of this act. The honorable Secretary of the Interior, Mr. Teller, at my instance wrote a letter which was published giving notice to these people that they had no right to sell this land, that they had no title to it, that it awaited the action of the Congress of the United States; and yet they did proceed to sell, and they have embarrassed the people of that country and the receiver of the United States court, who I have no reason to doubt is a capable and honorable man—a court which has sold this road twice since I have been in the Senate of the United States—as stated in the letter which I have here, is now threatening that the insolvent company will take the iron up and leave the people without the road unless the people petition and Congress will give them this 576,000 acres of land. I call the attention of the Judiciary Committee to this foul wrong by which a judge of the United States court, without proof or knowledge of the facts, without contest, upon an application made by certain parties professing to hold securities without investigation of how those securities were issued, what consideration was given for them, without any controversy whatever, appoints a receiver and imports him from another State, irresponsible to the people of the State, suspending the charter contract between the State and the parties holding the franchise, coming into the court and asking of the court to take possession of the public lands of the United States for an insolvent corporation under a grant which expired twenty years ago, lands devoted to homestead settlement by actual settlers, take possession of those lands and intimidate the people of the country into besieging Congress with petitions to confirm a grant which is only a donation to an individual and not being applied to the construction of the road or carrying out the charter given by the State.

Mr. President, if this thing is to be allowed, if the will of Congress, the interests of the people, the homes of settlers are to be made the plaything of the United States courts, it is time that some inquiry was made as to those who are participants in such transactions. This record involving millions of property states that this road has become subject to a debt of about $4,000,000, and yet the iron never has been replaced.

Why, Mr. President, what are we here for as legislators, and what have the Judiciary Committee of this body to do but to devise such legislation as will protect the people of the country and prevent the courts of the United States from being made instruments of fraud and imposition upon the people?

These are facts that appear in these records and can not be denied—a railroad built without the payment of its subscription by its stockholders, a railroad in which the public, the State, and the people through the internal-improvement fund were the only cash stockholders; sold in violation of the terms of the act without judicial proceeding and judicial investigation; sold really because of a default of the payment by its stockholders of their subscription and their assumption of the debt of the contractors; sold to the very stockholders and contractors who had failed to make the payment, the State having paid a million dollars of the proceeds of the swamp and overflowed lands, and the internal-improvement lands granted by the United States for purposes of reclamation, drainage, and actual settlement for this debt thus assumed to be paid by these stockholders, who became the purchasers and owners of this property.

Now, when twenty years nearly had elapsed before they commenced the construction of the road after the expiration of the act, it turns out that about $4,000,000 of debt has been created on the road, and yet no improvement upon and no completion of the road has been made. This deponent swears that the iron had never been renewed, and then in the midst of this state of facts they come before a court of the United States and without the name of a stockholder in their bill, without disclosing who are the stockholders, who are the creditors, how the debts were created, they have a receiver appointed and borrow $1,500,000 more, and yet they claim 576,000 acres of the public land of the United States, testified by this agent of theirs to be worth $3 an acre, or $1,725,600, and at the same time they appear in the court testifying that they have obtained $4,000,000 on this property without applying any part of it to the improvement of the property. The best and greater part of the remaining public lands in the south of Florida subject to settlement and cultivation are included in this grant, and the question is whether the Congress of the United States will dedicate them to homesteads for the poor, to the settlement of the country by actual settlers, the poor, hard-toiling people of the country, or whether they will donate them as a gift to these parties who have stood in these relations to the improvement of the State of Florida.

I here insert extracts from the report of receiver H. R. Duval in the cause of W. Bayard Cutting *vs.* The Florida Railway and Navigation Company, and I take pleasure in stating that while I think the facts in this record demand in the interests of the people an inquiry by the House of Representatives I am informed that this receiver is a man of character, unconnected with these acts, and that he is improving the property:

I found upon taking the property into my charge its condition to be one of exceeding dilapidation; its road-bed in bad order; its ties and structure in like bad condition, and much of its rail, which is iron, rotten, a large portion of it having been in use from fifteen to twenty-five years; its sidings totally inadequate, its switches primitive and dilapidated, and the road-bed and track being in such a condition of decay that it is impossible to conduct its service without excessive cost and constant danger to the lives of its passengers and employés, and danger of loss and destruction to its property, rolling-stock and motive-power, and merchandise which it undertakes to transport. No regularity in service can be maintained or proper dispatch given to passengers, mails, or freights. Its motive-power, which consists of forty engines of all ages and patterns, one-third of which is totally unfit for service, and the balance of which needs repairs to a greater or less extent, which the road does not possess shops or materials to make or means to provide for, is therefore totally inadequate for the purpose.

* * * * * * *

The lack of traffic earnings by the property has not in my judgment been the occasion of its depletion in the past few years. The books of the company show earnings annually of about $1,000,000 gross, and its operating expenses, if the road was put in proper condition, should not exceed 65 per cent. of this amount annually.

I respectfully submit to the court, that I be allowed to make an issue of receiver's certificates upon the entire line of said railroad and its properties, not exceeding in the aggregate $500,000, but with leave to apply at a further day for the issue of an additional $500,000 of certificates, to be in sums of $1,000 each, to run for two years, unless sooner redeemed, to bear interest at the rate of 7 per cent. per annum, to be made payable in the city of New York on the 1st day of January and July in each year; the principal should be paid also in New York, unless said sum and interest as aforesaid is sooner paid by me out of the moneys coming into my hands from time to time applicable thereto, or the moneys therefor upon sale of property in my hands.

It is supplied with passenger and freight cars totally insufficient to the performance of even the present demands of its business. The business of both itself and its patrons is suffering for the need of a proper track and of sufficient motive power and cars. It can not perform its duties as a public carrier, and without great improvement immediately the operation of many parts of it will have to be suspended. And its owners, through their failure to supply the necessary money to economically maintain and conduct their property, are in danger of suffering a much further shrinkage in its value.

I find the property without one single yard of new rail to replace the many removals, which, through the natural breakage of rotten rails, are daily required; and without new fastenings of any kind, so that rails and fastenings which have been condemned two and three times must be culled over, to be used as substitutes for those which can not possibly be used any more. From these causes are constantly occurring accidents, as yet not resulting in the loss of

human life, but attended with some injuries to passengers and with great loss and destruction of property. The property is without necessary facilities for the handling and dispatch of its business at its stations and termini, and sadly needs an immediate enlargement of all of these, as well also the construction of many new station-houses, and the building of almost an entire lot of section-houses.

I found the property in this condition, without any money, with no credit, in debt to its connections for traffic balances, to its supply merchants for material consumed, to locomotive and car builders for equipment, which it had already materially worn before making payments thereon, and for divers other such obligations. all of which are insignificant in importance to the additional fact that its pay-rolls for its employés and laborers are behind in partial payment, exceeding 50 per cent. of same on each month's rolls, for a period of six months prior to my appointment, from which cause has resulted dissatisfaction, disloyalty, and desertion, and inability to maintain proper discipline among the employés, to the extent that it is impossible to obtain labor of good quality or sufficient of the bad to maintain the property in serviceable condition, and this bad labor is one-third more expensive than good service if we were in a position to employ the latter. In support of this, the result of my observations as to the condition of the property, I submit herewith the report, under oath, of D. E. Maxwell, the general superintendent, who has been connected with the road in this capacity for several years, and with it continuously for twenty years.

I also insert an extract from the bill in equity in the same court filed by Louis H. Myer, trustee, against the Florida Railway and Navigation Company:

Your orator further shows unto your honors that the consolidated defendan railway company is insolvent, and that it has no funds to pay the amount of said interest in arrears; that besides its liability upon its bonds secured by the said deed of trust dated May 10, 1881, amounting to $1,000,000, it is further liable to pay its so-called first consolidated mortgage bonds, amounting in the aggregate to $3,782,000, and is also liable to pay other bonds secured by several other mortgages upon different parts and sections of its line of railroad and railroad property, which, before the consolidation of the said constituent corporations into the Florida Railway and Navigation Company, belonging to them respectively, that is to say: Upon the line of railroad theretofore belonging to the Peninsular Railroad of Florida it is liable to pay mortgage liens amounting to $250,000; upon the line of railroad theretofore belonging to the Florida Central and Western Railroad Company it is liable to pay mortgage liens amounting to the sum of $2,808,000; upon a line of railroad theretofore belonging to the Fernandina and Jacksonville Railroad Company it is liable to pay mortgage liens amounting to the sum of $350,000; that the aggregate of all said bonded-indebtedness is upward of $8,190,000.

That the said consolidated defendant railway company is liable to pay upon all its bonded indebtedness as aforesaid for interest charges the sum of upward of $165,000 per annum; that it has a large floating debt amounting to upward of $1,600,000, which it is totally unable to pay; that it is indebted in certain promissory notes made and delivered by it for property essential for the maintenance and construction of its road and for moneys borrowed by it for the purpose of paying taxes, all of which notes will shortly mature; that upon the 6th day of July, 1885, a judgment was duly recovered and docketed against said consolidated defendant railway company in the circuit court, second judicial circuit of Florida, in and for Leon County, in a certain suit wherein W. Bayard Cutting was plaintiff and the said consolidated defendant railway company was defendant, for the sum of $104,088.11; that said consolidated railway company has no funds to pay said judgment or said maturing notes; that the business and profits and the earnings of said consolidated defendant railway company have heretofore been insufficient to pay operating expenses, maturing floating indebtedness, and interest on its mortgage debt; that it is now unable to pay its just debts and liabilities in full; that the property mentioned in and conveyed by the said mortgage, dated May 10, 1881, is a slender and insufficient security for the payment of said bonds secured by the said mortgage.

It is hardly necessary to say that the court granted the order asked for. This would make the sum of about $5,500,000 raised on the part of the property known as the Old Florida Railroad Company, the corporation for whose benefit this grant was made thirty years ago.

I commend it to the consideration of the Judiciary Committee of the Senate, and of others having power and standing in the like position, as a model proceeding which might be adopted by rule or statute for the use of the United States judges to make title to great public properties to unknown persons whose names and interests are not disclosed in the record, of whom and as to whom no inquiry is made and nothing shown and no proof demanded, to the detriment and in denial of the right of domestic creditors, in violation of the charter contract with the State for the honest and faithful construction of a great highway of transportation for the use of the people of the State. Not content with this $5,500,000 of securities held by them on a property built by the State and the United States with public lands, and the proceeds of their sales, under a contract with the State for its completion in eight years and with the United States in ten years, this grant of 576,000 acres, with the homes of settlers, is claimed, and it is stated in a letter of Doctor Strainger, a highly respectable gentleman of Brooksville, that the persons circulating the petition for confirmation of the grant stated that the receiver threatens to take up the iron from the road unless the people petition Congress to confirm this expired grant. What a commentary do these facts make on the administration, not of law, but on the exercise of judicial power by your courts! Is it beyond the power of the Judiciary Committees of Congress, of both judges and legislators, to find some means by which a charter contract to which the people of a State and corporations are parties can have some recognition in the courts and by the judges of the United States?

Do not these facts demand an inquiry and investigation by those who are charged with this duty and invested with power to redress this public evil, and to whom alone the judicial power is responsible for its proper and just exercise in the application of the law and the exercise of their functions? I have introduced a bill which I hope will receive the favorable consideration of the Senate, and which if passed by Congress will require the courts of the United States to apply the earnings of this property to the completion of the road to Tampa under the charter contract with the State. There can be no doubt that this grant expired in 1866; that every ground of public policy demands its forfeiture, and that the title to actual settlers to the extent of 160 acres, be confirmed and patents be granted to them and to the owners of town sites on which improvements have been made and the remainder of the grant opened to actual settlement under the homestead laws. The earnings of this property are ample for the immediate completion of the road, as the people and the State have a right to have it completed under the charter granted by the State.

No higher duty rests on this Congress than that of so legislating as to require the courts of the United States to perform their plain and manifest duty in all such cases to the people of the States where such franchiess exist in all cases where they take possession of the property.

And now, Mr. President, as to the Pensacola and Georgia road, the other beneficiary of this grant. This road was built to Quincy before the war, leaving a large part of its line to Pensacola not built. To this road 1,275,579.52 acres were approved for the whole 307 miles, more by 96,779.52 acres than the grant allowed. In 1881 a new company was chartered by the State, under the name of the Pensacola and Atlantic Railroad Company, and 20,000 acres to the mile was granted by the State out of the swamp and overflowed and the internal improvement land grants made to the State by the United States. This road was built without delay, and is a most excellent road, but there can be no question that the grant made by the State of 20,000 acres to the mile was ample. It is also very clear that there is no particle of either legal or equitable right to this grant of 1856.

In order that this railroad company should have the full benefit of having their claim made known to Congress I publish herewith a letter of Mr. W. D. Chipley, vice-president and land commissioner of this railroad company, censuring my conduct in supporting a bill for the forfeiture of this grant:

PENSACOLA, FLA., *April* 1, 1886.

DEAR SIR: Yours of 3d ultimo was received at Pensacola and forwarded to Atlanta. It arrived there after I had left that city, and laid there for some time. Since its receipt here I have been so engaged by more important matters that I have not found time to write. In fact upon reading your communication I do not know that it really requires reply. But I will say this: You refer to letters from a large number of citizens and settlers. If they governed you in a public act as a servant of the State, I can safely conclude that these letters have been made a part of the public record. If so, can I get a copy of these papers? I mean those from any citizens, and especially "settlers," in West Florida. If not, I must believe that you refer to other portions of the State, or else that people who write you are ashamed of a position into which you have allowed them to lead you. I also note you desire not to be misunderstood. I do not misunderstand you. Your letters asking your men in West Florida to send on petitions to sustain you in a bill already introduced was entirely clear. I did not refer to any advice you may have given.

I refer to your requests for petitions addressed to parties who cared no more about your bill than the "man in the moon," and who signed petition to comply with your requests. If you need any more I can send you several, as several parties on reflection became so ashamed of the matter that they sent the petitions to me. Your idea that no act of Congress can affect our rights is a novel one, coming from one who is introducing the bill. I believe you are right as far as the law in the premises is concerned, but it is strange that a Senator, the representative alike of the railroad property as well as other interests in the Commonwealth, would be willing to put the burden of litigation upon us to get rid of the embarrassment of your bill should it pass, and force us to test our rights before courts at great expense and utter suspension of development during years of litigation. You ask what manner other than petitions is open to you for an opinion of the people on our land grant. I beg to refer you to the act of the Legislature which gave us the grant, the same method of expression from the people which made you Senator. Your comment on the amount of land given to railroads is extraordinary. As the lands were held in trust for the railroads by the State what else, pray, could they do with them? What would the State be without the railroads, and what railroad in the State (even with the lands) can show a dollar's profit? As regards your views of the legal question I am happily sustained by the United States Supreme Court and will not intrude any argument upon your time. I made no implication in my last letter. I merely stated facts. You told me you only wanted to do what the people wanted, and on my return I found your letter asking that a petition be sent to you to sustain what you had already done.

Yours, truly,

W. D. CHIPLEY, *V. P. and L. C.*

HON. W. CALL, *Washington, D. C.*

It is my misfortune to differ with Mr. Chipley entirely. I regard the grant of a railroad franchise when a road is built as of great value, and when 20,000 acres to the mile are given as a gratuity to those who build the road, as a very large compensation. I consider the public policy now well established of appropriating the public lands of the United States to homestead settlement. That this land is a part of the public domain of the United States there can be no doubt.

I do not agree that the ruling of the Supreme Court in Schulenberg *vs.* Harrimen, 21 Wall., 44, is in any respect defensible. The acts of Congress making grants are laws. A law is always mandatory and compulsory. It is an exercise of power; what it commands must be done, and the only power of a court is to apply it according to its plain and manifest meaning. If this is not true, then one man holding office for life as a judge, or five men out of nine justices of the Supreme Court of the United States, with no responsibilty to the people, non-elective, and with a life tenure, have a supervisory power over the law-making power, and can themselves make and unmake laws. If this be true this is not a Government of the people, but is the most autocratic of all governments. The terms "shall revert to the United States" are very plain; they are either law or not law. But the Supreme Court say they shall not be law until a subsequent Congress shall give effect to them. But the Constitution says the Congress that makes the law shall have power to make it, and its will constitutionally expressed shall be the law and binding on all men and all courts. And its plain and manifest meaning can not be construed away in its application to individual cases.

There is not the least analogy between a grant by an individual and a law the words of which are plain and imperative.

But the decisions of the court, while not binding on Congress in any respect or to any extent as to the exercise of their functions, do not in any way deny the power and duty of Congress to declare a forfeiture of grants, the conditions of which have not been complied with.

In Farnsworth *et al. vs.* Minnesota and Pacific Railroad Company (2 Otto, S. C. Reports), the court says:

The forfeiture is maintainable on strictly equitable grounds. It was the express contract of the parties based upon a good, valuable, and adequate consideration. Respecting the State, the company was a mere donee. It received a most liberal grant of franchises and lands and a loan of the credit of the State upon the sole condition that it should proceed with the construction and completion of the road with the dispatch agreed by the Territorial and State governments. This it undertook to do. Such completion within the time prescribed was not a collateral or incidental, but the exclusive, purpose of the amendment. Any default in this respect admitted neither compensation nor restoration of the *status in quo*.

Mr. President, I am the friend of associated effort, whether it be of capital or of labor. I believe that corporations may be made, when restrained by law, great instruments of civilization in our time; but the courts must be required to do their duty and not be the instruments of them. They must not be the mere tools to accomplish fraudulent purposes.

In this case, as I have said, I state nothing but what is sworn to upon the records of the circuit court of the United States in cases now pending there, and these most extraordinary facts are presented of a corporation created under a charter requiring the payment in money of a million dollars in stock, in consideration of State aid, in these grants made to them, paying nothing but pretending that as they sold these lands they might convert them into the stock which they had agreed to pay money for, and then these stockholders with the unpaid stock becoming the purchasers of the property and paying for it with bonds which had twenty years to run, and then failing to pay the debt for the construction of the road which they had assumed and agreed to pay, and then the school fund of the State sold to make good their obligation to pay these unpaid debts, and then a million of dollars of the public lands of the State appropriated to pay this very debt which these people had agreed and assumed to pay, and then twenty years after the expiration of this grant when Mr. Chandler had refused to make the reservation and declared it open to public settlement and entry, obtaining from Mr. Schurz a withdrawal of it upon the pretense that a map had been sent before the war of the location to the office but without the signature of the governor, and had been returned because the governor was required to sign it, and then selling this property and the franchise and the inchoate grant and right, whatever there might be in it, for a sum alleged to be several million dollars to other parties, and then the execution of a deed to the vendors of these 576,000 acres of the most valuable land in the peninsula of Florida, and then petition after petition coming here for its forfeiture and being met and counteracted by the receiver of the United States court, as is stated by Dr. Stringer, a highly respectable gentleman, of Brooksville, Fla., in a letter before me, stating that this company would take up the iron off its road unless these people petitioned Congress to make good this donation of 576,000 acres of public land to these individuals.

Every consideration of the public interests demands the forfeiture of this grant and an investigation by the proper committees of the two Houses of the facts disclosed in the records from which I have read. While the records of the United States circuit court which I have read show that this corporation is insolvent, and that this grant and everything else it possesses or claims to possess is claimed by its creditors and by Mr. E. N. Dickerson, Congress is asked to confirm it (a grant which expired twenty years ago) for the benefit of the creditors of the corporation, and the people of the State are deluded with the pretense that the confirmation is for the construction of a railroad to Tampa.

What has been done with the proceeds of the $8,000,000 of debt for which its securities have been issued? What has been and is to be done with the $1,500,000 of money just authorized to be borrowed; what with the earnings of the road? Has not this sum been sufficient, and is it not sufficient now, to build the road to Tampa? If money or land is given to an insolvent corporation will it not immediately become subject to its creditors, and pass to them and inure to their benefit to pay debts already contracted, and is it not in evidence here that this is the condition of this corporation? Is it not further proved by the statement under oath of their agent, Mr. Wailes, that the whole grant has been conveyed to Mr. Dickerson as a security for the payment of his stock or interest in the Atlantic and West Indies Railroad, built before the war, and that $140,000 of it has already been applied to the payment of the taxes on the road built before 1860, and another part to Mr. Dickerson's personal use, and another part to pay Mr. Wailes his 5, 10, and 25 per cent.? And yet there are citizens of great respectability, whose requests I would gladly comply with if in my power, who write requesting me to advocate an extension of time for this insolvent corporation, according to the sworn statement of its trustee and its alleged creditors, to complete the road to Tampa, and to give to them the title to this 576,000 acres of the public land of the United States, which, by the public law and the public policy of this Government, has been dedicated to the use of actual settlers, and to which both of the great political parties of this country are pledged, and especially the Democratic party.

Mr. President, in the presence of the evidence presented in the records I have read that this grant has not been and is not to be used for the construction of a railroad to Tampa, but is to be used for the personal benefit of a few individuals, with a knowledge of the fact that it needs only that those who are charged more directly with the powers and duty of protecting the State and her people in this matter shall require the earnings of this road and the proceeds of the State lands donated to it to be applied to the completion of the road to Tampa, as required by their charter; to have it completed, or forfeit the franchise granted by the State and confer it upon others. With my knowledge of these facts I can not reconcile it to my sense of public duty to lend my vote and aid toward depriving the citizens of the State of their right to enter and homestead the 576,000 acres of this expired grant in the southern part of the State, or that part of the grant in the western part of the State which was not earned before the grant expired in 1866.

It is no answer to this objection that the condition of the grant is the completion of the road to Tampa. This has been so for the last thirty years, and yet it has not secured its completion.

The inchoate grant has only been used as a basis of credit to obtain money (if the sworn statements of the record I have read are true) for the use of individuals and to accumulate great fortunes for them. But however this may be, the day for concentrating in the hands of a few persons vast quantities of land has passed even in England, powerful and aristocratic as she is. Public opinion demands that the land shall be opened to settlement, occupation, and ownership by the people. If I were to advocate a donation of this 576,000 acres of land, or of its equivalent in money, $1,728,000, which is the same, to be paid out of the Federal Treasury for the building of a railroad, I should certainly be in favor of giving it to citizens of the State, and of that part of the State where the road is to be built, instead of to strangers and non-residents who have already grown rich from donations by the State and the United States, without performing the conditions on which they were granted, and who now, at this very time, are in the courts of the United States declaring their insolvency and preparing for another sale of the property and their franchises and all rights possessed or claimed by them.

Mr. President, in concluding these remarks I do not wish to be understood as casting any reflections on the railroad corporations of the State of Florida. There are several other great companies in the State to some of whom the State has made extensive grants of State land from the swamp and overflowed land grant and the internal-improvement grant. These companies have honorably performed all their obligations to the State, they have paid the money for the construction of their lines of road through unoccupied portions of the State, and have contributed largely to that great progress and prosperity which, with her climate and soil, is rapidly making the State of Florida one of the most beautiful and desirable countries in the world. They are prosperous, and deserve to be so and to receive a liberal compensation for their investments. These companies are the Jacksonville, Key West and Tampa Railroad Company, the Florida Southern Railway Company, the Florida, Savannah and Western Railroad Company, known as the Plant Investment Company, the Pacific and Atlantic Railroad Company, the Jacksonville, Saint Augustine and Halifax Railroad Company, the Saint John's Railroad Company, the Tavares and Orlando Railroad Company, and the South Florida Railroad Company, and probably many others. Neither do I wish, Mr. President, to cast any reflection or disparage the future of the Florida Railway and Navigation Company and its widespread and consolidated lines which are destined in the future to be profitable and important lines of travel. My references to it have been and are only in connection with the facts stated and sworn to in the records, and can not of course affect any persons newly connected with it; and I cheerfully here state that the information I receive from the State is to the effect that Mr. Duval, the present receiver of the road, is doing much to place this corporation in a condition where it will perform an important part in the State's future.

Mr. President, I have exhausted the time which I agreed to occupy. I will not trespass further upon the attention of the Senate. It was my purpose to present these facts. I trust Senators will bear them in mind. The people of this country will not and ought not long to endure such a perversion of the powers of government as will permit such things to occur without redress. We need legislation. We need a law that requires the courts of the United States when they take possession of railroad and corporate property to carry out the charter, the contract between the State and the people to whom the franchise is granted by the completion of the road, and not that it shall stand for years as it has done, tossed about from hand to hand, the instrument of fraud and injury to the people of the United States and of the State.

Mr. President, it would take a volume to contain all the letters I have received from actual settlers asking to homestead these lands, stating the wrongs and outrages committeed on them and their families in the attempt to deprive them of their homes for the benefit of the rich men who live abroad and who have given no compensation for it; and the strangest fact is that their agent should appear before the judges of

the United States, who are appointed, sworn, and paid to administer and faithfully apply the laws of the United States for the protection of the people and of their homes and families, and claim compensation from the court for depriving the settlers on the public land of the United States, seeking to obtain homestead rights, of 20,000 acres of a land grant which expired twenty years ago.

The proceedings contained in these records are a travesty on law, on the decisions and orderly proceedings of courts, on the rights of the people, on the plain intent and meaning of the statutes. If they shall be sustained, or pass without inquiry, investigation, and condemnation, it will be evident that the judicial and legislative powers of this Government are in the hands of those who use them to enrich the few and impoverish and oppress the great body of the people.

APPENDIX A.

ATLANTIC, GULF AND WEST INDIA TRANSIT, FORMERLY FLORIDA RAILROAD.

This road was authorized by that portion of the act which provides for a road "from Amelia Island, on the Atlantic, to the waters of Tampa Bay, with a branch to Cedar Key on the Gulf of Mexico." The lands falling within the probable limits of the road (main line and branch) were withdrawn from sale and location, by telegram, on the 17th May, 1856, and by Notice 568, September 9, 1856. On the 22d September, 1857, a map of definite location of that portion of the road from Fernandina to Cedar Keys, 155 miles in length, was filed in this office. Eighty-four miles of the road so located was on the main line, and 71 miles (from Waldo to Cedar Key) was the branch line complete. The whole of said 155 miles was completed in 1860, entitling the State to, say, 595,200 acres for the benefit of the road. Up to the present time but 290,123.28 acres have been approved to the State under this grant. Said lands were approved prior to January 7, 1860.

The reservation of lands on that part of the main line from Waldo to Tampa Bay, 150 miles in length, was not respected by this office after May 17, 1866, entries being permitted of all lands (unless otherwise reserved) outside and south of the 15-mile indemnity limits of the constructed portion of the road. Under date of December 7, 1875, the president of the company, Mr. Yulee, transmitted a map showing the proposed route of the main line from Waldo to Tampa, and asked that the lands along the said line and within the limits prescribed by the act of May 16, 1856, be withdrawn for the benefit of the road. The map and accompanying papers were submitted to Secretary Chandler, who declined to receive or approve the map, and directed, by letter of April 27, 1876, that it be returned to Mr. Yulee. Secretary Chandler says in said letter that he does not question the principle established in the case of Schulenberg vs. Harriman; that the title which vested in the State by the grant and definite location of the road thereunder could not be divested by the mere failure to complete the road so located within the time fixed by the act, but that he finds nothing in that case to sustain the doctrine that the State retains the right for an indefinite period and long after the date fixed for the completion of the road to designate its route and thus give effect to the grant. He also held that failure to locate the road before the time fixed for the completion of the road should be regarded as evidence of abandonment of the grant.

On October 29, 1879, the company, through its attorney, filed in this office the map rejected by Secretary Chandler, and asked that it might, together with new and material evidence bearing upon the original location of the road, which accompanied it (the map), be submitted to the then Secretary of the Interior (Schurz) for review.

On the 10th of November, 1879, the map, evidence, and application for review were submitted to the Secretary. The evidence submitted showed conclusively that a map of definite location of the road from Waldo to Tampa was filed in this office by the engineer of the company December 14, 1860; which map being returned to him January 22, 1861, for the procurement of the governor's certificate, was lost or mislaid; and that the last map presented was a duplicate of the original map of definite location.

Secretary Schurz, after due consideration of the facts presented, held in effect that the return of the map as above related was unnecessary; that it should have been accepted by this office, as it was undoubtedly recognized by the officers of the company, and by the State authorities, as the definite location of the road; and that the map was filed in the same manner as the surveys of previous portions of the line had been filed in the office of the secretary of state of Florida. The Secretary therefore approved the map and directed that the necessary withdrawal of lands be made to protect the rights of the company and secure the proper adjustment of the grant upon the line designated. Such withdrawal was ordered by this office and took effect March 26, 1881. It may be proper to state in this connection that the company have filed a formal waiver of all claims to lands within the limits of the road occupied by *bona fide* settlers at the date of said withdrawal. Upon the question of certifying lands to the State under the grant, the Secretary decided that the lands could be legally certified, referring to the case of Schulenberg vs. Harriman hereinbefore quoted, opinions of Attorney-General, November 29, 1879, case of Southern Minnesota Railroad Company, and October 26, 1880, case of Atlantic and Pacific Railroad Company. The governor of Florida, under date of July 16, 1881, certifies to the completion of 44.88 miles of road from Waldo to Ocala.

PENSACOLA AND GEORGIA.

This road was authorized by that portion of the act which provides for a railroad "from Saint John's River at Jacksonville to the waters of Escambia Bay, at or near Pensacola."

The Pensacola and Georgia Railroad Company was organized to construct that portion of the road running from Lake City to Pensacola, and the grant for that portion of the road conferred upon them by the State. Said company filed maps of definite location for said portion, which covered about 307 miles of road, prior to May 30, 1858. The lands falling within the probable limits of this road were withdrawn by telegram and letter of May 17, 1856, and May 23, 1856, by Notice 558.

No evidence of the construction of any portion of this road has been filed in this office, but the road is believed to be constructed and in operation from Lake City to Chattahoochee River, a distance of, say, 150 miles. Had the whole length of road located (307 miles) been constructed, the State would have been entitled to 1,178,880 acres of land, provided so much vacant and unappropriated land could have been found within the limits of the grant. Prior to October 30, 1860, 1,275,579.52 acres were approved to the State for the benefit of this road. It will be observed that said amount exceeds by 96,779.52 acres the entire amount that the State would have been entitled to had the whole length of road (307 miles) been constructed; also, that it exceeds by 699,579.52 acres the amount the State could properly receive and sell upon evidence of the construction of 150 miles of road. It should be stated, however, that, although the 1,275,579.52 acres lie opposite that portion of the road from Lake City to Pensacola, which was to be constructed by the Pensacola and Georgia Railroad Company, the whole quantity was approved to the State of Florida for the benefit of the road "from Saint John's River, at Jacksonville, to the waters of Escambia Bay, at or near Pensacola."

Whether the State conferred any portion of the said 1,275,579.52 acres upon the Florida, Atlantic and Gulf Central Railroad Company (below referred to), which constructed that portion of the road from Jacksonville to Lake City, is not known to this office; but it is not probable that such action was taken, as the last-named road would only be entitled to a portion of the indemnity lands so certified. The vacant, unimproved, and unselected lands in odd sections within the limits of the withdrawal for this road have not been restored to market for sale or entry.

FLORIDA, ATLANTIC AND GULF CENTRAL.

The company bearing the above name was authorized by the State to construct that portion of the road "from Saint John's River at Jacksonsville to the waters of Escambia Bay, at or near Pensacola," which was located from Jacksonville to Lake City, a distance of 59 miles. Said road is believed to be constructed and in operation, but no evidence to that effect is on file in this office or department. The construction of 59 miles of road within the proper period would entitle the State to 226,560 acres of land. Prior to October 6, 1860, 29,384.18 acres were approved to the State for the benefit of this road. No further approvals have been made for the benefit of said road; neither have the unselected or unimproved vacant odd sections within the limits of the grant been restored to sale or entry.

APPENDIX B.

SECTION 1. *Be it enacted by the senate and house of representatives of the State of Florida in General Assembly convened*, That so much of the 500,000 acres of land granted to this State for internal-improvement purposes by an act of Congress passed the 3d day of March, A. D. 1845, as remains unsold, and the proceeds of the sales of such of said lands heretofore sold as now remain on hand and unappropriated, and all proceeds that may hereafter accrue from the sales of said lands; also all the swamp land or lands subject to overflow granted to this State by an act of Congress approved September 28, A. D. 1850, together with all the proceeds that have accrued or may hereafter accrue to the State from the sale of said lands, are hereby set apart and declared a distinct and separate fund, to be called the internal-improvement fund of the State of Florida, and are to be strictly applied according to the provisions of this act.

SEC. 2. *Be it further enacted*, * * * said lands and all the funds arising from the sale thereof, after paying the necessary expenses of selection, management, and sale, are hereby irrevocably vested in five trustees; to wit, in the governor of this State, the comptroller of public accounts, the State treasurer, and the attorney-general, and register of public lands, and their successors in office, to hold the same in trust for the uses and purposes hereinafter provided, with the power to sell and transfer said lands to the purchasers and receive payment for the same; * * * also to receive and demand, semi-annually, the sum of one-half of 1 per cent. (after each separate line of railroad is completed) on the entire amount of the bonds issued by said railroad company, and invest the same in stocks of the United States, or State securities, or in the bonds herein provided to be issued by said company. * * *

SEC. 3. *Be it further enacted*, That all bonds issued by any railroad company under the provisions of this act, shall be recorded in the comptroller's office, and so certified by the comptroller, and shall be countersigned by the State treasurer, and shall contain a certificate on the part of the trustees of the internal-improvement fund that said bonds are issued agreeably to the provisions of this act, and that the internal-improvement fund, for which they are trustees, is pledged to pay the interest as it may become due on said bonds. All bonds issued by any railroad company, under the provisions of this act, shall be a first lien or mortgage on the road bed, iron, equipments, workshops, depots, and franchise; and upon a failure upon the part of any railroad company accepting the provisions of this act, to provide the interest as herein provided on the bonds issued by said company, and the sum of 1 per cent. per annum as a sinking fund, as herein provided, it shall be the duty of the trustees, after the expiration of thirty days from said default or refusal, to take possession of said railroad and all its property of every kind, and advertise the same for sale at public auction to the highest bidder, either for cash or additional approved security, as they may think most advantageous for the interest of the internal-improvement fund and the bondholders. The proceeds arising from such sale shall be applied by said trustees to the purchase and canceling of outstanding bonds issued by said defaulting company, or incorporated with the sinking fund: *Provided*, That in making such sale, it shall be conditioned that the purchasers shall be bound to continue the payment of one-half of 1 per cent. semi-annually to the sinking fund until all the outstanding bonds are discharged, under the penalty of an annulment of the contract of purchase, and the forfeiture of the purchase-money paid in.

SEC. 4. *Be it further enacted*, That a line of railroad from Saint John's River, at Jacksonville, and the waters of Escambia Bay, with an extension from suitable points on said line to Saint Mark's River or Crooked River, at White Bluff, on Apalachicola Bay, in Middle Florida, and to the waters of Saint Andrew's Bay, in West Florida, and a line from Amelia Island, on the Atlantic, to the waters of Tampa Bay, in South Florida, with an extension to Cedar Keys, in East Florida; also a canal from the waters of Saint John's River, on Lake Harney, to the waters of Indian River, are proper improvements to be aided from the internal-improvement fund, in a manner as hereinafter provided.

SEC. 12. *Be it further enacted*, That every railroad company accepting the provisions of this act shall, after the completion of the road, pay to the trustees of the internal-improvement fund at least one-half of 1 per cent. on the amount of indebtedness or bond account, every six months, as a sinking fund, to be invested by them in the class of securities named in section 2, or to be applied to the purchase of the outstanding bonds of the company; but it shall be distinctly understood that the purchase of said bonds shall not relieve the company from paying the interest on the same, they being held by the trustees as an investment on account of the sinking fund.

SEC. 13. *Be it further enacted*, That if on completion of any of the roads indicated in section 4, the net earnings should be less than 6 per cent. on the capital stock paid in and bonded debt of said company, first deducting the 1 per cent. per annum paid in to the sinking fund, it shall be divided pro rata between the stock account paid in and bonded debt, and the internal-improvement fund shall pay the deficiency due on account of interest, from time to time, as it may fall due. In the event the net earnings are over 6 per cent. on the capital stock paid in and bonded debt, and sinking fund of 1 per cent., then the president and directors shall first pay into the hands of the trustees of the internal-improvement fund the amount due on the interest account of the bonded debt, in addition to the provision for the sinking fund, every six months.

SEC. 14. *Be it further enacted*, That for all payments made by the trustees of the internal-improvement fund on account of interest for any railroad company, agreeably to the provisions of this act, said trustees shall demand and receive from said railroad company equal amounts of the capital stock of said company, which stock shall entitle the internal-improvement fund to all the privileges and advantages of private stockholders.

SEC. 21. *Be it further enacted*, That should the Government of the United States grant land to the State of Florida for the purpose of aiding in the construction of the lines of railroad indicated, and their extensions, by general or special act, said line of railway shall be entitled to all the benefits and advantages arising from said grant that the State of Florida would be entitled to by the construction of said lines of railway and their extensions; and the governor of the State is hereby authorized and required, should such an act be passed by the Government of the United States, to direct said railroad companies to select said land, and, after such selection, to give the Secretary of the Interior notice of such selection, and furnish him with a list of lands so selected, the number of each section, fractional section, or subdivision, and take such other action as may be

necessary to fully secure the grant of land to said railroad companies, subject to all the conditions and restrictions of the act of Congress making such grant.

SEC. 27. *Be it further enacted*, That after the railroad companies indicated by the provisions of this act shall for five consecutive years pay 6 per cent. on the capital stock paid in and the interest on the bonded debt, and apply the sum of 1 per cent. yearly to a sinking fund on said debt, then the trustees of the internal-improvement fund may apply under the direction of the Legislature the annual income arising from said fund to other purposes of internal improvement, or to the support of schools, so long as the said company shall continue to pay the same. But should any of said railroad companies thereafter fail to provide the interest upon their bonded debt, and 1 per cent. annually as a sinking fund, then said fund shall pay the deficiency on the interest account from time to time as it may arise.

APPENDIX C.

WAILES'S BILL OF COMPLAINT.

First. That by an act of Congress approved May the 17th, 1856 (2 Statutes, page 15), there was granted to the State of Florida, to aid in the construction of a railroad "from Amelia Island on the Atlantic to the waters of Tampa Bay, with a branch to Cedar Keys on the Gulf of Mexico," certain lands within prescribed limits on each side of the road and branch, with indemnity for lands lost within said limits to be taken within larger limits. That by an act of the Legislature of the State of Florida passed prior to and in anticipation of such an act of Congress, the Florida Railroad Company duly organized under the laws of the said State and became the beneficiary of the said grant of lands under the act of Congress aforesaid.

Fourth. That there was a limitation in the said granting act that if the road was not completed within ten years no further sales of land should be made, and that the lands which remained unsold should revert to the United States; that said road not having been completed within or at the expiration of said ten years the question and contention arose between the railroad company and the Commissioner of the General Land Office and Secretary of the Interior of the United States of America as to whether or not all of said grant then remaining unsold had become forfeited to the grantor without any further legislation of Congress, or any action on the part of the General Land Office other than ordering such unsold lands on the market for sale, pre-emption, and homestead entries. That such question and contention did not become fully settled and determined until recently, to wit, January 30, A. D. 1881, and subjected the companies and their officers to protracted correspondence with the General Land Office and the Secretary of the Interior and the employment of attorneys and agents to present their case in said General Land Office with a view to prevent a forfeiture of said grant or other action hostile to or adverse to the interest of the said companies. That on or about the day last aforesaid the Secretary of the Interior decided that said grant would not become forfeited without further legislation. That while the loss of said grant and indemnity lands was threatened, at least one Secretary of the Interior having decided that the State and railroad company had forfeited all their rights to the land under said grant as well as all indemnity lands, the said Atlantic, Gulf and West Indies Transit Company solicited your orator's services to secure this grant to the company; and heretofore, to wit, on the 24th day of November, A. D. 1879, the said last-mentioned company entered into a contract with your orator by the terms of which contract the said company agreed to convey for your orator's services to him "5 per cent. of all the land acquired by the company for the line between Waldo and Ocala and 10 per cent. of all the lands acquired by the company for the part of the line between Ocala and Tampa Bay," and 25 per cent. of any additional land "your orator might secure" on account of the part of the line constructed prior to 1861 from Fernandina to Cedar Keys, a distance of 155 miles, in excess of 281,000 acres which the company had acquired prior to the date of said contract with your orator, a true copy of which said contract with the correspondence with the acting president of the said company, which led to said contract is hereto attached and marked exhibit "A," which your orator prays may be treated and considered as a part of this bill of complaint for all the purposes of this suit.

That under the said contract your orator entered into the performance of his duties and performed valuable and important services, hereinafter more fully stated, and incurred and paid large expenses to secure the grant to said companies and prevent its forfeiture.

Your orator avers that the railroad companies aforesaid since the date of said contract with your orator, and as a result of your orator's services under said contract, have acquired large bodies of land embraced within the limits of the said grant and indemnity grant aforesaid, of which land your orator is entitled to his percentage according to the terms of said contract, which percentage had not been selected and been conveyed to your orator; and have acquired other large bodies of land within said grant of which your orator has received his percentage either in lands, or where the lands have been sold for the purpose and the proceeds applied to the purpose of extending the road southward your orator as a matter of convenience to the company and to avoid obstructions to its operations and to the extension of the road has waived his right of a conveyance to him of his percentage of said lands and has accepted his percentage of the cash proceeds of sales thereof in lieu of lands.

Your orator avers that of the lands so acquired between Waldo and Tampa, of which your orator is entitled to receive but has not received his percentage either in kind or in cash, there are about 260,000 acres remaining, a list of which containing a description thereof is hereto attached or herewith filed marked exhibit "B" which your orator prays may be treated and considered as a part of this bill of complaint and referred to as often as may be necessary.

That of said 260,000 acres of land about one-fourth thereof were acquired from the State of Florida under the internal-improvement act of Florida, known as swamp and overflowed lands, of which your orator is entitled to 10 per cent. under another contract with said defendant company entered into November ——— A. D. 1884.

That heretofore to wit on the ——— day of May, A. D. 1884, the said defendant company elected your orator to the office of commissioner of lands of said company and devolved upon your orator the duty of listing and selling the lands of the company acquired under the said grant, and as such commissioner and agent of the defendant company your orator on or about the ——— day of May, A D. 1884, opened an office in Jacksonville, Duval County, Florida.

Your orator avers that he made special and extraordinary efforts to sell said lands, not only to advance his own interests but the interests of the said company; that as fast as the road was extended south the said company, under the terms of the said granting act, would acquire or have the right to acquire, the alternate odd sections within the 6-mile limit and the said indemnity for land lost therein; and your orator became entitled to have, under his said contract, 10 per cent. of all lands so acquired by the extension of said road; that your orator's said interest in having said road constructed southward furnishes your orator's chief reason for being willing to accept his percentage of cash sales, and for not insisting in every instance upon a division of the land and his percentage conveyed to him.

* * * * * * *

Your orator avers that such an appropriation of said money to the payment of arrears of taxes was a violation of its contract with the State of Florida and the United States, and a breach of said contract with your orator, and an invasion of the rights of your orator thereunder; that your orator was entitled to receive a conveyance from said company to 10 per cent. of said lands of average quality, and, in any event, in case the said lands were sold and proceeds properly applied your orator would be entitled to 10 per cent. of the proceeds thereof; and your orator avers and respectfully insists that said 85,000 acres of land could have been and could now be sold within a reasonable time for the average price of $3 per acre; and that your orator is in danger of losing his part of said lands or a great portion thereof.

* * * * * * *

Your orator avers that defendant Dickerson, if he did not have actual notice of the contract aforesaid between your orator and the said company, the Atlantic, Gulf and West India Transit Company, which, on information and belief, your orator avers he, Dickerson, did have, had constructive notice of said contract, and has since fully recognized your orator's rights under said contract, which will hereinafter more clearly appear.

* * * * * * *

That after your orator became such land commissioner, the said defendant company placed in your orator's hands and control for sale as such commissioner not only the lands reconveyed by said Dickerson to said company, but all the lands not so reconveyed, which were conveyed to said Dickerson as aforesaid for the purposes aforesaid, and that your orator sold as such commissioner the land of the latter class, to wit, the Dickerson lands, treating and regarding them as the lands of defendant company, reported such sales to said company, and of the proceeds of the sale of said Dickerson's land your orator retained his percentage, to which he was entitled under his said contract in lieu of lands, with the full knowledge and approval of and without objection from said defendant Dickerson; the balance of such proceeds, after deducting your orator's share, was paid over to Dickerson by said company, and thereupon said Dickerson executed deeds of conveyance to the purchaser.

And such has been the course of business in disposing of said Dickerson's lands ever since your orator was appointed such commissioner; but your orator avers that his contract business and dealings have been with the said company and not with the said Dickerson in any respect, and that whatever if any rights the said Dickerson has acquired they are subordinate to your orator's and acquired subject thereto.

But your orator respectfully alleges that the appropriation of said lands or the proceeds thereof by the said company to pay the said Dickerson the price of said stock sold by him is a violation of its contract and charter with the State, and laws under which said lands were granted and acquired and a breach of the said contract with your orator, and destructive of his just rights acquired thereunder as hereinbefore set forth.

That apart from the services rendered by your orator and his personal expenses incurred to secure the lands to said railroad companies and prevent a decision of forfeiture thereof by the said Secretary of the Interior, your orator, relying on the benefit and compensation to accrue to your orator under his said contract by the extension of said railroad and its completion to Tampa Bay with the aid of said grants of land justly and fairly appropriated thereto, has incurred and paid various other expenses in employing agents and attorneys to assist him and further his efforts to secure said lands to said railroad companies to the amount of $5,000 and upward.

* * * * * * *

That upon assuming the duties of such commissioner your orator found that there existed among the people and settlers in the country south of Waldo through which the road runs, and especially in that portion thereof embracing the projected but unconstructed line of road, an intensely hostile and bitter feeling toward the said company, arising from the failure to construct the road, the misappropriation of money received for that purpose, and from controversies with settlers upon lands owned by the company.

That it became necessary to allay such hostility on the part of the people in order to promote the sale of lands, and your orator did by direction of said company, by his tact and management, allay such feeling, which involved the expenditure of much time and considerable expense on his part.

That such services were no part of his duty as such commissioner.

* * * * * * *

Your orator avers that he has in his possession and control a considerable sum of money arising from the sale of the lands aforesaid as land commissioner, including both the lands which have been conveyed to said Dickerson and not reconveyed, as well as lands which have been reconveyed as aforesaid.

Your orator avers that the entire constructed line of said railroad, road-bed, rolling-stock, equipments, and depots and property appurtenant thereto, not including said lands owned by defendant company, are encumbered with a first lien to secure the payment of its mortgage bonds issued thereon and outstanding to the amount of $13,000 per mile, and the interest accruing thereon at the rate of 6 per cent. per annum, payable semi-annually; that the earnings of said road are not more than sufficient to meet the interest accruing on said bonds, its running expenses, repairs, and renewals, salaries of its officers, payment of employés, if indeed such earnings are sufficient for those purposes.

As hereinbefore averred said company was unable to pay assessed taxes on its property and was constrained under threat of sale of its property to misappropriate $140,000 raised upon the credit of its said lands to pay said taxes.

Your orator avers that said company has allowed extensive portions of its road, especially on that portion between Fernandina and Cedar Keys, to become in a dilapidated and unsafe condition, its iron rails on many miles of track not having been renewed since the road was first constructed; that said company is generally largely in arrears to its employés, and it is a fact and a notorious fact that the said company is now indebted to said employés for about four months' pay, such last-named indebtedness amounting to the sum of over $100,000.

In short, your orator avers that said company is utterly insolvent and unable to meet from the earnings of its road and property its current expenses and liabilities.

APPENDIX D.

In the circuit court of the United States, fifth circuit, northern district of Florida.
W. Bayard Cutting *vs.* Florida Railway and Navigation Company.

To the honorable the judges of said court:

H. R. Duval, who was heretofore, to wit, on the 26th day of October, A. D. 1885, by order of Mr. Justice Woods, circuit justice of this honorable court, duly appointed receiver of the defendant, The Florida Railway and Navigation Company, and of all of the lines of railroad owned or operated by it, and of all of its property as described in said order, and who was thereby empowered to run and operate the railroad and other property and franchises of said railroad company, and to preserve the property and maintain it in a proper condition and repair, so that it might be advantageously used, and to discharge other duties specified in said order as to the custody and care thereof, hereby respectfully submits this report, and asks the direction of this honorable court.

That as soon as he had given the bond required under said order of the 26th October last, and to wit, on the 31st day of October, 1885, he took into his posession the entire lines of railroad owned or operated by said defendant company, and which consist of a line of railroad from Chattahoochee to Jacksonville, with branches to Monticello and Saint Marks, designated as the Western Division, 233¾ miles; Fernandina to Cedar Keys, known as the Central Division, 155 miles; Waldo to Tavares, 99 miles; Wildwood to Withlachochee, known as the Southern Division, 23 miles; Hart's Road to Jacksonville, 22 miles; making a total of 532¾ miles of railroad wholly within the jurisdiction of this honorable court, and took also into my possession the other property of said company.

Its capacity for increase in earnings upon like favorable condition is, in my judgment, 100 per cent. on its present gross earnings, and in this estimate I am

sustained by the opinions of some of the best expert traffic agents and railroad managers in the country, several of whom have considered the situation of the property and the development of the country tributary to it, agreeing with me that I do not overestimate its earning capacity.

I find the property encumbered with mortgage liens to the following extent:

On the western division, to the Guarantee and Trust Company, of Philadelphia, to secure an issue of bonds, for	$2,808,000
On the central division, to G. T. M. Davis, trustee, to secure an issue of bonds, for	250,000
To L. H. Meyer to secure an issue of bonds	1,000,000
On Fernandina and Jacksonville branch, to R. Fulton Cutting, M. Bayard Browne, and E. H. Herriman, trustees, to secure an issue of bonds	350,000
On the entire property, to the Central Trust Company, of New York, to secure an issue of bonds, for about	8,000,000

I find no other record of lien, or of parties entitled to notice of the filing of this report, or of my intention to ask the direction of the court as to the issue of receiver's certificates, as hereinafter stated, except that, as in the case of Bella A. Johnson and others *vs.* The Florida Railroad Company *et al.*, an order was entered by this court at Jacksonville, on the 4th instant, extending my powers as receiver of this property. In that cause also I have caused a notice of this filing and intention to be served upon the counsel for complainants in that cause.

That said certificates, to the amount authorized thereby, be declared a debt of the receiver incurred for the preservation of the property and to maintain it in proper condition and repair, so that it may be safely and advantageously used and to protect the title and force of the same until full payment, that they shall be a charge and lien upon all the property in my hands as a paramount lien thereon prior to any and all other liens, mortgages, and charges whatsoever, whether for principal or interest, unless the particular certificate be stamped as a specified lien upon some portion of said property, in which case it would be a permanent lien upon said specific property, and a lien upon all the equities of the Florida Railroad and Navigation Company, to all the property in my hands; and that I may be authorized to issue and sell such certificates from time to time, and in such amounts as may seem to me advisable, the total amount of certificates to be issued at any one time not to exceed the sum of $500,000, without the further order of this court, and that I may be authorized by an order of this court to use the proceeds of such certificates in my discretion and to pay the necessary and current expenses, and discharge the duties of this my trust, and the sums now due to companies operating connecting lines of railroad upon contract for the interchange of freight and passenger business, and for moneys due for right of way, and to pay amounts necessary for the proper management and operation of said railroad, and moneys due or to become due upon the rolling-stock or equipments of said railroad which must necessarily be paid to retain the possession, use, and ownership, and all moneys due or owing by defendant railroad company, for debts and balances due to laborers and other persons heretofore employed by said railroad company, for labors or services rendered or for necessary supplies furnished and delivered to said company in the operation of its road since the 1st day of May, 1885, and balances due other companies for rent, and all moneys due for advances to said company for the payment of taxes, and all taxes justly due, and the proper expenses of said receiver for the purchase of rails and other supplies required to keep said property in proper condition of repair and for renewals and repairs of tracks and bridges and other appurtenances of said road, for its safe and efficient operation.

That the certificates issued under an order to be made shall, until the payment thereof with interest, be a lien and charge on all the property whatsoever, of which I was appointed receiver, as a permanent lien thereon prior to any and all other liens, mortgages, and charges whatsoever, whether for principal or interest, and that in the final order herein, for the discharge of said receiver, provision should be made for the payment of such certificates as have not been previously paid by said receiver, and that said certificates shall, wherever practicable, bear upon their face the legible stamped name of the branch road or division upon which it is applied, to be filed in conformity with the provision of the order to be made; and such certificates shall, in every case, be a first lien upon such branch or division of said road and a lien also upon the equities or rights of the Florida Railway and Navigation Company whatsoever.

And that I be also directed to keep separate accounts, so far as practicable, showing the state of earnings and expenses of the road formerly owned by the Florida Central and Western Railroad Company, Florida Transit Company, Peninsular Railroad Company, Leesburg and Indian River Railroad Company, and Fernandina and Jacksonville Railroad Company.

That in my judgment the issue of certificates as herein suggested, and their sale and the application of the proceeds arising therefrom, is the only means by which the money can be raised to immediately redeem the property and place it in a position where it can transact the business which is tributary to it, and by which it will be enabled to maintain itself and earn money for its owners.

In this connection, I beg also to submit for the consideration of this honorable court a letter addressed to me on this subject by the honorable the governor of the State of Florida, on the 20th instant, which I file herewith as a part of my report, and I humbly submit myself to the direction of the court in the premises, and as in duty bound will ever pray, &c.

H. REIMAN DUVAL, *Receiver.*

NOVEMBER 20, 1885.

APPENDIX E.

DEPARTMENT OF THE INTERIOR, GENERAL LAND OFFICE,
Washington, D. C., April 5, 1886.

SIR: I am in receipt of your letter of the 29th ultimo, and in reply thereto have to state as follows:

The estimated number of acres in the land surface in the State of Florida is—

West Florida	5,718,080
East Florida	29,995,520
Total land area of the State	35,713,600

Under the swamp land grants the area claimed by the State of Florida to June 30, 1885, was 18,131,345.64 acres, of which there has been patented to the State 15,881,101.89 acres.

The area patented to the State for internal improvements under the act of September 4, 1841, embraced 484,184 acres.

Under the act of May 17, 1856, the following named railroads have received patents for the area herein given, under the act of May 17, 1856:

	Acres.
Atlantic, Gulf and West India Transit, formerly Florida Railroad	290,183.28
Florida and Alabama	165,688.00
Pensacola and Georgia	1,275,579.52
Florida, Atlantic and Gulf Central	29,384.18
Total approved to railroads	1,760,834.98

Very respectfully,

S. M. STOCKSLAGER,
Assistant Commissioner.

Hon. WILKINSON CALL,
United States Senate.

Silver Coinage.

SPEECH

OF

HON. GEORGE G. SYMES,

OF COLORADO,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 7, 1886.

The House having under consideration the bill (H. R. 5690) for the free coinage of silver, and for other purposes—

Mr. SYMES said:

Mr. SPEAKER: The debate on the silver question has been actively proceeding in both Houses of Congress during the past four months. A very large number of speeches have been made. About twenty-five speeches have been delivered in the Senate and about fifty speeches have been delivered from time to time in this House on this most important question. It is about time that some of the results of this very voluminous debate should be summed up and stated. It must be admitted there has been about the same proportion of repetition throughout a large number of these speeches generally found in the numerous speeches delivered during an important political campaign.

One thing at least has been accomplished by this debate. The gold men at last admit that all the knowledge and all the acquirements upon monetary questions no longer remain with their exclusive few. I was surprised a few days ago to hear one of the most distinguished and oldest members of this House say earnestly to the advocates of silver coinage that he wanted to remind them they did not have an entire monopoly of all the learning and arguments upon the monetary question. In view of the continued dogmatic statements of the leading journals of the country, of the self-proclaimed leading economists of the country, the self-assertions of the so-called leading financial statesmen of the country, during the past ten years to the effect that the silver advocates did not know what they were talking about, and did not even comprehend the monetary question or the result sure to follow either the limited or free coinage of silver; that they were inflationists, silver lunatics, &c., this statement may at least be considered as a great concession on the part of the gold-bugs and their advocates.

Mr. Speaker, the advocates of silver coinage and true bimetallism have maintained during this debate several important positions which the gold-standard men and those urging suspension of coinage must overthrow, or admit their arguments and assumptions fail.

The silver men have stated and proved there was not gold coin enough in the world with which to do the business of the commercial countries and communities; that there is not enough to form a safe basis for the units or measures of value, and to form the reserves for a sufficient active circulating medium of paper money to answer the demands of trade and commerce; that during the past decade nearly, if not quite, all the product of the gold mines has been absorbed and consumed in the arts for ornamentation and manufactures, thus leaving no gold whatever, out of the current product, to repair the waste, loss, or abrasion of coin, or to expand the volume of money to keep pace with the increasing population, the enlarging commerce, and the expansion of trade and exchanges throughout the world.

It has been shown that the product of the gold mines has fallen off from one hundred and thirty-four millions a year during the decade ending with 1860; that it fell to one hundred and twenty-five millions during the decade ending with 1870, to one hundred and thirteen millions during the decade ending with 1880; that in 1880 it was one hundred and one millions, and in 1884 it was only from ninety-three to ninety-five millions. It has been further shown that the production of the gold mines will continue to decrease, and that the demand for use in the arts, for ornamentation, and for manufactures will continue to increase. So that in a few years at best not only will all the product of the gold mines be used in the arts and manufactures, but in addition to that a large amount of gold coin will be melted annually to supply this demand.

Mr. Speaker, how have these facts and arguments, urged and advanced by the silver men, been met, answered, or overthrown by the advocates of monometallism and the suspension of silver coinage. They have not denied the increasing scarcity of gold, the consumption of nearly all the product of the mines in the arts and for ornamentation, nor the probable increase of this scarcity and the probable increase of the consumption. They do not deny the great and continued increase in population, wealth, and commerce and the increased currency demand arising out of it.

The only argument advanced against the necessity of remonetizing silver because of the admitted scarcity of gold for coinage is that this scarcity can be supplied by an extended system of credit documents, such as checks, bills of exchange, and bank currency. This is a pernicious argument. Here the gold men unequivocally advocate real inflation. It is hardly necessary to state that at the base of all sound business transactions there must be a certain amount of an easy ex-

changeable equivalent of value, which the commercial world from time out of mind has always recognized as best represented by gold and silver reserves. Whenever there is a suspicion "noised abroad" that bank notes of issue have not a sufficient supply of current coin to redeem them, or that a commercial firm has drawn more bills of exchange than they have the legal-tender money to pay, such notes and such bills are immediately at a discount, the discount continues to increase, and soon confidence is lost and such bills or notes are refused in payment.

On this certain amount of reserve in legal-tender coin all commercial, bankable, and credit transactions rely for their stability. The cheap and fascinating idea of issuing paper currency on credit alone or on too small a reserve in coin has invariably resulted in panics and collapses. No genius has as yet put into practical operation a "*crédit foncier*" system which has not ended in disaster and calamity. We did not suppose the gold-bugs, who arrogate to themselves all the financial honesty, purity, and stability in this country, would be found advancing this unadulterated inflation doctrine. It shows the desperate straits to which they are driven when confronted by the scarcity of gold, the increase in its price, the falling off in prices of all other commodities, the depression of trade, and their attempts to escape from the necessity of supplying this admitted scarcity by silver coinage.

Another assumption and attempted argument of the gold advocates is that continued silver coinage will drive all of the gold out of circulation and out of the country. Although there was less than two hundred millions of gold in this country at the time of the passage of the Bland bill in 1878, and although there is over six hundred millions of gold in the country to-day, it has been continually reiterated that the coining of two millions of silver per month would drive all the gold out. These gold advocates are forced to admit that all their prophecies have proved untrue; still, like the false prophets of old, their ardor is not at all dampened, and they continue to repeat that if silver coinage is not suspended the gold soon will pass from circulation and leave the country.

Some of the speeches upon this subject deserve a passing notice on account of the eminent character of the gentlemen who made them. The distinguished gentleman from Massachusetts [Mr. LONG], with his usual ability, keenly appreciating this, attempts to answer the arguments presented by the silver men regarding the increase of gold in this country by a very classical figure of speech. He says:

> We are told that under our present policy gold is accumulating instead of diminishing, and that therefore such fears are unfounded. Once upon a time a certain frog, whose vanity had made his story immortal, began to swell. I doubt not some prudent observer suggested to him that the ultimate result of that process would be an explosion. I doubt not that the frog replied by pointing to his fair enlargement and plumper figure. But the result was none the less that he burst, and the places that had known him knew him no more.

The gentleman admits that his figurative silver frog has been prospering and growing beautiful in its rounded proportions on account of being fed two millions of silver coin per month since 1878, and that the increasing proportions of this silver frog has attracted to this country hundreds of millions of gold; that this silver batrachian reptile is larger and more prosperous at the present time than it has ever been since the honorable member from Missouri [Mr. BLAND] nursed it into life; but nevertheless the distinguished gentleman prophesies that in a very short time this silver frog is sure to "go on a bust."

This frog argument is undoubtedly intended by the distinguished gentleman to show that because the business of the country has absorbed two millions of silver a month for the last eight years that is no reason why it will continue so to absorb two millions a month in the future. The gentleman seems to forget, or he ignores the admitted facts, that the population increases in this country at the rate of over 3 per cent. per annum; that exchange trade and commerce increase in a much greater ratio; that there is no increase in the circulating medium provided for except by silver coinage; that the present circulating medium of this country is over fifteen hundred millions; and that an increase of 3 per cent. in the volume of the present circulating medium in this country would be between forty-five and fifty millions per annum—twice as much as the Bland bill requires to be coined, and more than can be supplied by all the silver mines in the country for coinage at the mints under a free-coinage law.

Mr. Speaker, another encouraging feature of the progress that has been made by the silver debate is that all the gold men now claim to be bimetallists. However radical their views against silver coinage, and however eloquent their arguments to show that by laws more unchangeable than those which any legislative tribunal can pass, gold must necessarily be the sole standard and unit of value throughout the commercial world, and must and will form the true basis of all important financial transactions and business, still they assert that they are bimetallists.

The brilliant gentleman from Maryland [Mr. FINDLAY] would apparently favor true bimetallism, that is the free coinage of silver on an equality with gold. In the first portion of his speech he said in classic language:

> I say then to the advocates of silver, follow your leaders and boldly repudiate the false position in which you have been placed by the Bland bill for the last eight years. Trample under foot the delusion that one of the great money metals of the world, coequal in use, dignity, and power with its helpmeet, can be degraded into servitude or sent like Hagar into the wilderness. Take the stand which logic, experience, and all the associations which spring out of a venerable antiquity, reaching back to the cradle of the race, require and demand for silver its instant, full, and complete rehabilitation.

Mr. Speaker, this is just where the silver men propose to take their stand. The free coinage of silver is the only logical and true position they can take. It will cut the Gordian knot of the inequality between gold and silver, and close the war of the standards and destroy the power for harm of the gold monometallists as surely as the star of Napoleon went down with the sun on the field of Waterloo.

Still it is contended by this gentleman that limited silver coinage or free coinage is impracticable at this time. He avows himself a great friend of the laboring man and for that reason would suspend silver coinage. The gentleman says gold can protect itself against any law and needs no law for its protection. Well, Mr. Speaker, if that is the case why is it insisted that silver shall not be placed, at least, on an equality with gold before the law? It is the free coinage of gold which makes its bullion value equal to its nominal value when coined the world over. The free coinage of silver would in a short time make its bullion value equal or near its coin value.

This eloquent gentleman finds fault with what he calls the limping, humpbacked silver standard created by the Bland bill. He says that free coinage is the only true and logical position to assume. He insists that it is impossible to keep the cheaper metal, silver, in circulation in the country and that it immediately returns to the Treasury after being paid out. Still he asserts that gold can not be kept in circulation with silver much longer. He closes his brilliant oratorical effort in behalf of the gold-bugs by an extravagant figure of speech, in which he builds a sort of mythological god to the different metals, the head of which is gold, and closes his special plea in behalf of a gold plutocracy as follows:

> It may be that there is yet to be a stone cut out of the mountain side by which this old money metal will be shattered into pieces and ground into powder, and gold, as the last perfected state in the progress of its development, disappear with the baser elements that compose the structure; but until that day comes no forcible inversion of parts, no violent subordination of function can change the eternal law by which the head fitly crowns and dominates the body. Gold, in my opinion, in spite of all your laws by virtue of a law of its own will still be king.

The inconsistencies of this brilliant speech, which attempts to erect gold into a king to govern the finances of this country, are not to be wondered at, because the brilliant gentleman had to pass through blizzards and cyclones to reach this conclusion. He says:

> But instead of the blizzard distribution of the buzzard dollar suppose you undertake the more usual and less violent and perhaps more regular mode of getting silver into circulation by calling in and paying off the Government threes in silver, would you be in a better condition?

It is not surprising that when a speaker attempts to make an oratorical path through a blizzard, with buzzards flying around his head, that he loses his way and finally arrives at his goal in inextricable confusion.

Mr. Speaker, the efforts of the monomentallists to create and perpetuate the power of gold-financial kings in this country will prove as transient and futile as the persistent efforts to perpetuate the rule of the slavery and cotton kings of ante-bellum days. This plutocratic and pernicious power will go down before the sovereign will of the American people, just as slavery was compelled to yield to the irresistible force of public opinion.

The gold men insist, with much apparent gravity, that they are better bimetallists than those who advocate silver coinage, and they claim that the way to restore bimetallism is to suspend coinage. I have not time to review the history of the leaders of the gold party who clandestinely demonetized silver in 1873, and gave as a reason for it that the bullion value of the silver dollar was so much greater than the bullion value of the gold dollar that it was practically kept out of circulation, because exported or purchased and put into the melting pot.

I can not at present review the history of the debate which resulted in the passage of the Bland bill in 1878, when the same parties said they were afraid to remonetize the silver dollar because its bullion value was less than the gold dollar, and show what this school of money economists stated at that time. It would take a large volume to contain the untrue assertions, the false prophecies, and the misrepresentations of these same gentlemen, and those from whom they take their economic ideas all published and pronounced to the world, first to bring about the demonetization of silver, next to keep it from being even partially remonetized, and then to bring about the suspension of silver coinage.

Any one who is familiar with the history of this subject from 1871 to the present time is driven to the conclusion that a harder struggle has never been made by any party at any time to accomplish an object than by this gold plutocracy to permanently demonetize silver. Not an assertion, argument, prophecy, or illustration is to be found in the books upon this general subject, or in the journalistic literature of the times, written by professed gold monometallists, that has not been used repeatedly and revamped to show that gold monometallism was the only true and correct policy of money economy, and that silver must necessarily, in the progress of events, take a subordinate place and be used only for a subsidiary or fractional currency. No economic ideas, no statements of fact, no illustrations drawn from the practical history of the times, none of the prophecies or warnings, of such able economists as De Laveleye,

Wolowski, Fruen, Ernest Seyd, Haupt, and several other economists who prophesied the stagnation and commercial depression which the demonetization of silver in Germany and this country, if followed by other countries, would bring about has ever been referred to or cited by any of these gentlemen who now say they are bimetallists and are in favor of bimetallism.

During this silver debate not one of these gentlemen who favor suspension but claim to be bimetallists has ever pronounced one word of criticism or censure against the demonetization of silver in 1873, although they pretend they desire to return to the double standard. They say they would be in favor of the coinage of the silver dollar if its bullion value was only equal to the gold dollar; but the first important thing to do is by some national or international policy to create a silver dollar which shall have a bullion value equal to that of the gold dollar.

The silver men heartily join with them in this desire; but in the name of common sense, aside from any theories of money economists, how can it be determined what is the proper ratio of coinage between gold and silver until both metals are given an equal chance before the law. When the silver dollar had an equal chance before the law with the gold dollar by free coinage it was worth from 3 to 5 per cent. more than the gold dollar for many years previous to demonetization. No one will deny that it was demonetization that artificially depreciated the bullion value of the silver dollar and artificially appreciated the bullion value of the gold dollar.

If, then, these gentlemen are in good faith in their desire for bimetallism and an equality of bullion value between gold and silver dollars, why do they refuse to give the silver dollar an equal chance before the law? It can then soon be determined whether the ratio should be changed.

Use is the foundation of all value. When there is an indefinite demand for the use of an article it must become valuable. When the demand for that use ceases the article must depreciate in value. The demand for coined money, which is made a legal tender under the law, is one of the insatiable desires of man, and will remain so. There has been an insatiable demand for gold bullion as well as gold coin, because there has been free coinage of gold in the wealthy and leading nations. There was an insatiable demand for silver bullion when there was free coinage of silver among the leading and wealthy nations, and that insatiable demand for silver bullion would again exist on the remonetization of that metal. Give silver an equal race with gold before the law by free coinage in this country, and the problem is solved.

What do these self-proclaimed bimetallists propose for the purpose of bringing about an equivalent in value between the gold and silver dollar, or bimetallism on that basis, which they pretend to desire? The only thing they seem to rely upon is an international bimetallic conference which shall fix the ratio of free coinage throughout the commercial world. They certainly know that this is impossible within any reasonable time. The only way to bring this about is for the nations desiring it to immediately establish the free coinage of silver, so that silver bullion will become scarce in the markets of the world, and thus show to the other nations that if they propose to obtain their share of the white metal for the purpose of increasing their circulation in the future they must give it free coinage at their mints. For the nations or people who desire bimetallism to close their mints against free coinage, which results in causing a surplus of silver bullion to be thrown into the market so that every nation can get all it wants at a depreciated price, and thereby to force such nations to an international acquiescence in the free coinage of silver, is, it seems to me, unreasonable and absurd.

When some of these gentlemen are pressed upon this subject they say they are international bimetallists. Here we have the solution of their true meaning and desire. They are bimetallists on condition that the monarchs of Europe allow them to be so. I am unable to appreciate the patriotic sentiments of American statesmen who propose to pursue one course or another on this most important question to the future welfare and material prosperity of this great country according as the statesmen and politicians of the monarchies of Europe may pursue one or the other policy upon the same question. When European statesmen find out what our policy and desire is, history universally shows that they try to thwart our wishes and desires. Their sympathy and encouragement in the enforcement of our policies we never can expect. But by pursuing our own course, guided by our own judgment and dictated to by our own interests, patriotism, and a desire for the welfare of our own people, we often force the statesmen and politicians of these monarchies to adopt policies against their wishes by the rigid and bold enforcement of our own.

An American international bimetallist is to me about the same kind of a heterogeneous combination as an international American high-protective tariffite. If I was a free-trader I should think I was consistent in saying that I was an international protective tariffite; but as I am and always have been in favor of a protective tariff candor compels me to say that I shall advocate a protective tariff notwithstanding the policies of all the nations of the commercial world may be in favor of free trade.

THE GRESHAM LAW AGAIN.

One of the most curious features of this debate by those in favor of suspension is their position with reference to the operation of the Gresham law. In my speech in the early part of the session I attempted to show the rules which govern the operations of this law. I have not the time to elaborate them here. The gold men have repeatedly said in their speeches that by the operation of the Gresham law all of the dearer metal gold, would be driven out of circulation and the cheaper metal, the silver dollars, would be substituted therefor. They will not even admit this to be a matter of argument. They tell us it is as certain as the laws of gravitation that if we do not suspend silver coinage soon we shall have nothing but the cheap silver currency in this country.

The next assertion they make is that this cheap silver will not circulate among the people; that the people of this country refuse to accept silver and it is impossible to pay it out from the vaults of the Treasury; that if a small portion of it is paid out it returns so quickly that the Treasury officials have become discouraged in their efforts to keep any considerable quantity of it in circulation, although their efforts in this behalf have been persistent, indefatigable, and herculean. Every report of every Secretary of the Treasury and Treasury official dwells upon this and says that the people will not have the cheap silver.

The distinguished gentleman from South Carolina [Mr. HEMPHILL] undertakes to show that cheap silver will not circulate. He dwells upon this with the usual assertions and arguments. He then invokes the Gresham law to show that cheap silver will circulate so extensively that it will drive out gold and exclude all other money. Many other speeches take the same position in effect; but this one presents the inconsistency in a clearer and more forcible way than some others, and hence I have referred to it in illustration of the positions assumed in this debate.

Why this Gresham law, which is so unerring in its operation has increased the stock and circulation of the dearer metal in this country more than four hundred millions since the coinage of cheap silver began in 1878, and why this cheap silver money has not circulated and will not circulate among the people since the coinage of it began in 1878, to the exclusion of gold, we are left to conjecture. Perhaps some speech is to be made which will explain this inconsistency and confusion, but as yet it has not been done.

THE UNIT OF VALUE.

Mr. Speaker, the gold advocates do not deny that the financial policy of the Government, through its Secretaries of the Treasury, since the passage of the Bland bill making the silver dollar a legal tender, has kept the country practically upon a gold basis; that the business transactions at the Treasury, and in the country generally, are measured by the gold dollar. The Secretary of the Treasury in his reply to the resolution of the House regarding his policy in not paying out a proper proportion of silver dollars for the indebtedness of the Government gives as his excuse that under the statutes of the United States 25.8 grains of gold constitute the only unit and measure of value, and hence every dollar of indebtedness must be paid in the gold dollar or its equivalent in value. This remarkable document, which admits upon its face a continued and inexcusable violation of the United States Statutes which provide for the coinage of the silver dollar and makes it a legal tender in payment of all debts public and private, justifies his course by arguing upon the basis of this technical quibble that the gold dollar is the only unit standard or measure of value.

The first and only unit and measure of value in this country was the silver dollar, established as such on the recommendation of Alexander Hamilton when the United States Mint was created. It continued to be, technically, the only unit of value until 1873, and then 25.8 grains of gold or a gold dollar was substituted for it. But the Bland bill practically made the silver dollar as much a unit and measure of value in this country as it had been from the foundation of the Government to 1873; and it occupies with reference to that subject exactly the same position in law as the gold dollar occupied from the foundation of the Government to 1873.

Sir, I was surprised to see the satisfaction with which intelligent gentlemen in this House viewed the so-called argument of the Secretary of the Treasury to show that 25.8 of gold is the only unit and measure of value and the only legal tender in payment of a debt in this country. What would have been thought of a Secretary of the Treasury if he had taken the same position, made the same argument, and conducted the finances of the Treasury upon the basis of it before 1873 with reference to the gold dollar? Before that time the gold dollar tested by the same technical quibble and frivolous argument was not a unit of value in this country. The silver dollar was the only unit of value, and hence the Secretary of the Treasury for many years before 1873 was not justified in paying any creditor of the Government in gold dollars at their nominal value but was bound to pay everything in silver dollars or the equivalent of the bullion value of 412½ grains of silver, which was worth from 3 to 5 cents more than 25.8 grains of gold in the gold dollar. These same gentlemen would have scoffed and sneered at such an argument and position at that time.

When the statute of 1878 fixed the number of grains of standard sil-

ver in the silver dollar at 412½ grains, and provided that it should be a legal tender for all debts public and private, it made it practically a unit and measure of value co-equal with the gold dollar. I have heretofore advocated that the statutes should be amended so as to make 412½ grains of silver equally with 25.8 of gold a unit and measure of value in this country, not because it is not by the Bland bill made such a unit and measure of value, but because I find many people are deceived by the specious and disingenuous arguments of the gold men upon this question. Such an argument would be more appropriate by a justice's court lawyer when defending a pawnbroker for overreaching his victim, than by a Secretary of the Treasury, or his advocates, upon important questions of economic policy.

FREE COINAGE WILL NOT MAKE THIS COUNTRY A DUMPING GROUND FOR FOREIGN SILVER.

The alleged insuperable obstacle against free coinage of silver is that it will make this country a dumping ground for foreign silver, flood the American mints, and result in the exclusive circulation of silver. Many people who really desire free coinage think it impracticable at this time because they are led to believe, from the exaggerated statements and misrepresentations of the gold men, that it will make this country a great dumping ground or reservoir into which all the silver of foreign countries will be piled in indefinite amounts.

This assumption and argument justifies deliberate investigation and answer. Characteristic of all the statements and arguments of the gold men, no facts or figures are produced to show where this great deluge of silver is to come from. We are not informed where, in any foreign country, is piled up any amount of silver bullion waiting to be dumped upon our shores when free coinage is established. They give us no facts or figures regarding the annual product of the silver mines of the world, the amount used in the arts, manufactures for chemical purposes, and for coinage. They do not attempt to show or even argue what foreign countries are going to demonetize silver and melt their coin into bullion for export, because they know that all the evidences from the discussions and agitation of the subject throughout the commercial world to-day point as unerringly as the needle to the pole that remonetization and not demonetization is the watch-word of the times.

Mr. Speaker, the expensive, sad, and bitter experience of Germany in her efforts to establish gold monometallism, and the financial troubles, depressions, and panics that it is now admitted to have been the greatest cause in bringing about, has taught a lesson that will not soon be forgotten. And while the Latin Union and other nations of Europe may not return to the free coinage of silver within a very short time, there can be little doubt that they will resume whenever the free coinage of it, added to the demand for silver bullion in India, China, Russia, Austria, and other single-standard countries, appreciates the price of silver to something near what it was before the demonetization of 1873.

Silver is coined in Europe at 15½ to 1, and in this country at 16 to 1. It is coined at about the same ratio in India; that is, the nominal value of silver coin in Europe and India is 3 per cent. over that of the United States. If the legal-tender silver coin of Europe, which is over one thousand millions, was melted and recoined at the ratio of coinage in the United States the loss would be over thirty millions.

There is no danger of the importation of any considerable amount of silver coin from Europe to be melted and recoined at our mints. When the balance of trade is against us it is as a general rule paid in gold, because gold is coined at as high a nominal value in this country as it is in Europe. If silver coin will not be melted and dumped upon our shores, is there any considerable quantity of silver bullion piled up in any foreign country to be sent to our mints and recoined? We have to combat the oft-repeated oracular statements and dogmatic assertions not borne out by any investigation of the facts. The demonetization of silver in Germany and the melting down of a portion of the silver coin into bullion and putting it upon the market caused a great depreciation in the price of silver bullion. Shortly after this the Latin Union, fearing this deluge of German silver, closed their mints to the free coinage of silver, and the United States demonetized it at the same time. The three acts combined, it is now admitted, constituted and will be known in history as the great financial misdemeanors and blunders of the nineteenth century.

When the future economist and historian of these times shall undertake to explain the paramount cause of the great and continued depression of all kinds of business in Europe, the limited production of the manufactories, the stagnation in all kinds of productive and useful industries, the suffering and strikes among the great laboring populations, and the sufferings even among the former thrifty agricultural classes of Germany, England, United States, and other countries, this history, when investigated in the light of philosophy, teaching by example, will result in a verdict that it was the demonetization of silver by Germany and the United States in 1873, causing the belief that other nations would follow the example, and the closing of the mints of the Latin Union against the free coinage of silver, that brought about these industrial and commercial calamities.

Mr. Speaker, let us inquire, where is this stock of silver bullion in any foreign country that can be dumped into our mints? According to the best information obtained by the United States minister at Berlin in 1880 the quantity of silver then remaining in Germany to be sold amounted to about $74,000,000. The coinage of eight other nations outside of the United States, Russia, Mexico, and Germany, during the year 1880 amounted to $54,541,648.

The Director of the United States Mint in his report for 1880 states:

> It can hardly be said that there is any stock of silver bullion in the United Kingdom, the imports and exports being about equal.

India alone coined about forty millions during the year 1880. This must have been derived from a portion of the remaining German bullion and from American imported bullion. It did not come from Mexico, the next largest silver producer to the United States. Her product was about $25,000,000 for that year, $22,000,000 of which was coined. More than the balance was used in the arts and manufactures. It has been shown that the net export of silver from London to India and China for the years 1880 and 1881 was over $56,000,000. "Asia is a bourne from whence no silver returns."

All statistics agree in showing that much more silver has been coined in Europe and Asia during the past few years than has been exported from North and South America. Where, then, is this mysterious quantity of silver bullion deposited, waiting to be dumped into the American mints when free coinage is again inaugurated?

It is said there is a large quantity of silver plate in Europe that will be melted into bullion for coinage. If we admit there is, which we do not, no considerable quantity of that plate in Europe would be melted down and sent to this country to be coined at the ratio of 16 to 1. There will be a great demand for it in India to be coined at the ratio of 15½ to 1 after free coinage shall have absorbed the greater portion of our product at the United States mints. It is simply ridiculous to say that the manufactured silver of Europe would be melted for export to America after the supplies of cheap bullion from this country have been cut off by free coinage.

It has been estimated that over fifteen millions of silver per annum is consumed for manufactures and ornamentation in Europe. Where is this fifteen million to come from in addition to the amounts required for coinage? To say that European bullion-brokers will buy expensive silver plate, melt it down, and export it to America to be coined at the ratio of 16 to 1, instead of having it coined in Europe or India at 15½ to 1, or instead of selling it to the silversmiths for remanufacture, is, like most of the assertions and arguments of the gold monometallists, without foundation in reason or experience. Mr. Buchanan, in his Plea for Silver Coinage, has made a very thorough presentation of this subject, and conclusively shows that the "dangers of the dump" are purely imaginary.

If there is no bullion in foreign countries to be exported to our mints, if no silver plate will be melted and dumped upon us, and if no nations of Europe propose to demonetize silver, melt their coin, and sell it, we have nothing left to deal with but the production of the mines in anticipating free coinage.

Mr. Speaker, in my former speech early in the session I attempted to show the production of the mines and the demand for coinage. I do not desire to go extensively into that question again. I then said:

> The best estimates place the annual production of the world outside of America at $10,000,000. The production of Mexico and the countries in South America has been growing less. These countries from 1852 to 1868 produced about $30,000,000 per annum. From 1868 to 1875 the production was about $25,000,000 per annum, a falling off of about $5,000,000 per annum, and it has been decreasing since 1875, with no probability of an increase. In 1877 and 1878 the yield of the Comstock mines decreased rapidly, and has been decreasing ever since, until it is now inconsiderable.
>
> The celebrated carbonate deposits of Leadville have partially taken the place of the Comstock lode, and fortunately have kept up the silver product of our country. The great exaggeration regarding the actual and probable output of the silver mines had a great effect in depreciating the price of silver, and they were all made in aid of the same combination and conspiracy to demonetize silver.
>
> Mr. Mulhall, in his Dictionary of Statistics, gives estimates of the production and consumption of silver in the world for fifty years, from 1830 to 1880, and the respective amounts used for coinage, manufacturing, and for exportation to the East. These estimates show that during this period the mines of the world produced 57,270 tons of silver, valued at $2,475,000,000. There was consumed 62,500 tons, valued at $2,725,000,000, or a consumption of $250,000,000 more than the production. The same authority estimates that 5,230 tons of old silver candlesticks, &c., in the temples of Europe and the East were melted down by the world to supply the deficiency between the production of the mines and the demand for current uses.

The average of the different estimates shows the product of the silver mines of the world for the past four years, from 1881 to 1884, inclusive, to be from one hundred to one hundred and ten millions per annum.

A very large amount of silver is annually consumed in the arts, converted into plate, and used for personal ornament and for chemical purposes. A large portion of the silver consumed in the arts can never be recovered or again used. When it is used for electro-plating, or beat into thin leaves for different purposes, a very small proportion, if any, can be collected or converted into bullion. The whole is practically lost.

The question as to the amount of the consumption of the precious metals in the arts and manufactures has been attracting much attention of late years. After thorough investigations by Dr. Soetbeer, of Germany, and by the Director of the United States Mint, extending over a period of several years, it is estimated that about thirty-five millions

of silver per annum is consumed in the arts and for manufacture, ornamentation, and chemical purposes.

A late English writer upon this subject has shown that these estimates include only the nations of Europe and the United States and India. He shows that the precious metals are largely used in the simicivilized nations of Asia, Africa, and elsewhere for those purposes, and he concludes that not less than £8,000,000, or about $40,000,000, is annually consumed in the world in this way.

Many estimates have been made as to the loss by wear and tear, called abrasion, of the circulating coin, and by casualties, such as fires, sinking of ships, &c. In 1858 McCulloch estimated the annual diminution of the then existing stock of the world's coin through abrasion by wear and losses by casualties at $37,500,000. Other estimates have been made, extending to near the present time, which indicate that it would take something like fifty millions of the precious metals per annum to supply the loss by abrasion and casualties. It is probably fair to say that this loss is about one-half gold and one-half silver, making twenty-five millions of silver annually lost by abrasion and casualties.

The estimates are somewhat unreliable and perhaps exaggerated. But we are not called upon to rely strictly upon them in arriving at a conclusion as to the annual requirements of the precious metals for use in the arts and manufactures, to supply the loss by abrasion and casualties, and for coinage. We now have accurate statistics of the actual annual coinage of the world. These statistics show that the amount of coinage is more than the product of all the mines in the world, leaving none for consumption in the arts and manufactures, or to supply the loss by abrasion and casualties. This of course must be accounted for by the fact that much old coin is recoined.

From a careful statement of a reliable American author it is estimated that during the five years from 1877 to 1881 inclusive there was coined and used in the arts $670,682,516, which exceeded by $213,907,206 the total products of all the mines of the world during the same period; and that this excess is to be accounted for by the recoinage of the same metal in different years, and by the use of some coin in the arts.

A late writer in England, who has examined this subject, concludes that the amount of recoinage about equals the amount of loss by abrasion and casualties. Much of the recoinage arises from the fact that the old coins have become so abraded they are no longer a legal tender, and, consequently, they are sent back to the mints for recoinage. So we may estimate the amount consumed in the arts and for manufacture, ornamentation, and chemical purposes, and the amounts used for coinage as constituting the amount of silver which has actually been consumed in the world during the past few years, provided we estimate the amount of recoinage to be equal to the amount lost by abrasion and casualties.

During the past ten years, from 1875 to 1884 inclusive, the silver coinage of a number of the principal countries, the largest portion of which for the last eight years was executed by India, Mexico, and the United States, is as follows:

Years.	No. of countries.	Amount.
1875	18	$119,105,467
1876	15	126,577,164
1877	16	114,359,332
1878	15	161,191,913
1879	10	104,888,313
1880	11	82,397,154
1881	14	108,473,624
1882	12	107,997,952
1883	20	113,769,901
1884	20	*110,000,000
Total		1,148,760 820

*About.

It will be seen that the annual average coinage of silver in the world, since the demonetization and suspension of coinage in so many countries, has averaged about $114,000,000 per annum. So, with silver demonetized in Germany and England, and in the Scandinavian countries of Norway, Sweden, and Denmark; with coinage practically suspended in the Latin Union and Holland, and with a limited coinage in the United States, still the annual requirement for coinage is over one hundred millions. Add to this the amount used in the arts and manufactures, and we have an actual current consumption of silver of between one hundred and forty and one hundred and fifty million dollars per annum.

The average annual product of all the silver mines of the world, as herein above shown, for the past four years has been from one hundred to one hundred and ten million. This shows an actual current demand for between forty and fifty million dollars of silver per annum more than all the mines produce. Then where is this imaginary silver dump to come from?

The advocates of the gold standard, in their long speeches, have not attempted to refute any of these estimates or the conclusions drawn from them. Those who have attempted to frighten the people against free coinage because they said it would make this country a great dumping ground for surplus silver have not deigned to show us where it is to come from. These learned anti-bimetallic gentlemen assert that even gold is not becoming scarce, and that silver is such a glut on the market and accumulating so rapidly that free coinage would literally deluge our country with cheap silver.

Mr. Speaker, these gentlemen have only re-echoed and revamped the wise predictions, the prognostications, and the sad divinations of the capitalists, the gold-bugs, and the money-kings of this country and of Europe during the past fifteen years. The time has passed when their oft-reiterated statements have much effect, for the day of their influence is fast passing away. The people of this country and even of the countries of Europe are becoming informed, and will no longer receive as true the money theories, the dogmatic assertions, the false prophecies, and the inexcusable misrepresentations that have characterized all the writings and speeches of this gold plutocracy during the demonetization epoch.

The product of the mines in the United States during the past ten years has averaged about forty-two millions per annum. The average coinage in the United States since the passage of the Bland bill in 1878 has been about twenty-eight millions per annum. The estimated amount consumed in the arts and manufactures and for chemical purposes in the United States is about $5,000,000 per annum. This makes a total annual average consumption in the United States of $33,000,000, leaving a surplus product of $9,000,000 per annum, not counting any amount for loss by abrasion and casualties. So if our mints were thrown open to free coinage and no silver was exported from this country, there might be an increase of coinage of $10,000,000, or a total silver coinage of $38,000,000 per annum.

We have shown that the monetary requirements of this country necessary to keep the per capita circulating meduim on its present basis is over $40,000,000 per annum; and yet people allow themselves to be frightened at the prospect of an addition of $10,000,000 a year to the silver coinage.

It can not be expected that the import of gold will exceed the export during the next few years as it has in the past. While this will in a great measure depend upon the balance of trade, as we showed in our former speech, nevertheless, according to all late accounts and discussions of the subject in Europe, gold is becoming so scarce there, on account of the demonetization of silver, that every effort will be made to draw back some of the gold we have imported from that country. India and other Eastern countries have absorbed a large amount of gold during the past half-century. The best estimates show that during the past half-century India and the East have absorbed not less than fifteen or twenty millions of gold per annum. This seems not to have been taken into account by several economists in making their estimates of the production and consumption of gold in the world and its increasing scarcity.

Prices are falling so fast in Europe on account of the scarcity of gold and the precious metals, both gold and silver, that European economists and statesman are afraid there will be a repetition of the panics, disasters, and even of the revolutions that occurred between 1820 and 1850 before the discovery of gold in California and Australia relieved the commercial world of the great dearth of the precious metals.

The gold product of the United States is continually falling off. It has fallen from $51,200,000 in 1878 to $30,800,000 in 1884, a decrease of more than twenty million in eight years, and the probability is that it will continue to decrease. The Director of the Mint estimates that more than ten millions of gold per annum is used in the arts for manufacture and ornamentation in the United States. The average gold coinage at the mints of this country for the last eight years has been about $60,000,000 per annum. In 1881 it was seventy-eight millions, in 1882 it was eighty-nine millions, and in 1884 it was only twenty-seven millions. What is to supply the place of the great falling off in the production of gold and gold coinage except silver?

The monometallists and those opposing the free coinage of silver fail to give us any information upon this important topic, which bears so directly upon the future material prosperity of this country and the well-being of society.

Mr. Speaker, a great source of alarm to the gold monometallists and those who oppose free coinage of silver is that it will drive the gold out of the country. A conclusion drawn from all the estimates and statistics, when considered in connection with the past history of the exports and imports of gold, shows that no fear can be reasonably entertained upon this subject. Statistics and predictions, however, often fail. Estimates and conclusions drawn from them upon the subject of money economy may be approximately correct, provided the trade and commerce of the world and the material and political prosperity of the different nations remain the same in the near future as they have been in the immediate past. But this can not be.

Great wars to maintain the so-called balance of power in Europe, to aggrandize dynasties and nations; a rainy season or drought around the Baltic and in the wheat-growing regions of Europe, and famines in India and Asia may entirely change all calculations regarding the balance of trade, and with it the movements, or exports and imports, of the precious metals from one nation to another. A great European war, or a war between Russia and England for the possession of the provinces of Asia, would cause such a demand for that class of our

productions called cereals and provisions as would enable us to continue to draw large imports of gold from Europe. On the other hand, peace, good crops, and material prosperity among the nations of Europe, and droughts, hard times, and internal commotions on this side of the Atlantic, would cause the balance of trade to turn against us, and a portion of the large amount of gold accumulated during the past few years would inevitably pass to the other side of the Atlantic.

The remonetization and the resumption of coinage of silver in Europe would give such a stimulus to all productive industries as to surely cut off a large amount of the exports of manufactured articles from this country. These things, generally somewhat temporary in their character, no human foresight or statesmanship can prevent. The best that can be done is to provide for such contingencies and to alleviate the distress resulting from them.

It is now conceded by most of the leading political and money economists of Europe that the demonetization of silver and the contraction of the circulating medium arising therefrom, and in particular the great and continued increase in the scarcity of gold, has had a most depressing and disastrous effect on the production and trade of the leading nations of that continent. This was sternly and dogmatically denied by the gold monometallists until within the last two or three years. The great falling off in prices, the great depression in trade, and the great falling off in the exports from England and Germany is now conceded to have had its paramount cause in the demonetization of silver and the scarcity of gold.

It is the duty of statesmen in this country, when the whole world is struggling for the few hundred millions of gold that exist, instead of demonetizing its sister metal, which has been since the dawn of civilization co-ordinate with it as a money metal, to restore it by free coinage to an equality with gold before the law. Then, if through unfortunate combinations of circumstances we lose a portion of our gold, we have a money-metal reserve as a basis for a convertible circulating medium of paper which will, in part, answer every purpose of our wonderful and enlarging internal trade and commerce.

But if we can not increase our stock of gold, and if we lose quite a portion of our present stock, will some gold monometallist or those opposing free coinage inform us what is to supply this deficiency?

Mr. Speaker, I can not conceive of a worse or more disastrous contest for my country to enter into with the creditor nations and the money-kings of the commercial world than a desperate struggle for the largest proportion of the world's stock of gold. I appeal to the economic history of the different nations of the world to show that when the struggle for gold becomes the order of the day, as it has been in Europe during the past fifteen years, the result is its accumulation in vast quantities in the leading money centers and by the millionaires. In such a struggle all productive property depreciates; the industries, trade, and commerce become stagnant and depressed; millions of laboring people are seeking employment and asking the privilege of earning bread; labor strikes and communistic agitations become the order of the day, and the rich grow richer and the poor poorer.

In proof of this it is only necessary to glance at the economic and industrial history of Germany, England, France, and the other nations of Europe since the demonetization of silver and the suspension of coinage in 1873 and 1875.

As Emile De Laveleye says:

> Observe what confusion has been introduced into the business affairs of the whole world by the unfortunate attempt of Germany to reduce herself to the exclusive use of gold money.

In order to procure two hundred millions of gold, Germany disturbed and embarrassed the money market of Europe for years. It raised the rate of discount on gold coin in the government banks of Europe. The sale of her silver after it was melted into bullion depreciated the price of silver about 10 per cent. Within three years after her demonetization she had coined $312,611,380 in gold. 'But the government dared not put these new gold coins in circulation to relieve the wants of trade and commerce in the place of the silver coin she had demonetized and melted, because these gold coins would flow back to England and France, from which countries the metal had been forcibly withdrawn in violation of commercial laws.

The balance of trade from the time of demonetization has been against Germany. It greatly decreased the products of her industries and trade. It was estimated a few years ago that more than one-third of the new gold coin which Germany had made such a sacrifice to secure had left the country never to return.' She has retained the balance of her gold only by locking it up in the banks and in the public Treasury, and by keeping the rate of interest very high. Her domestic trade and industries are half ruined, her circulating medium very much contracted, and $134,819,104 of gold which was known to have been coined by the different states of the Germanic confederation before the demonetization of silver, which were attempted to be withdrawn from circulation to be substituted by the new gold pieces coined after 1873, only $24,663,050 were ever presented to the mints or banks to be exchanged for the new gold coins, although they were no longer a legal tender.

The German officials said they were at a loss to account for the balance of $110,156,099 in gold which were known to have been coined before 1873 which were never offered in exchange for the new coin. But, as stated by an economist of Europe, the mystery is easily explained. These old gold coins had gone to other countries to be recoined and only the abraded coins which were too light to yield a profit on exportation remained in the country. The governor of the Bank of France a few years ago said that Germany had been paying her balance of trade and exchange to France by sending back French gold.

The Bank of England raised its rate of discount from time to time during this period to keep Germany from importing her gold. It is admitted that the money market of the British Empire was thrown into confusion. Nothing but the great commercial superiority and wealth of England enabled her to retain her stock of gold. Trade, commerce and the industries of England from this time became depressed. Many English economists who up to a few years ago denied that the struggle for and the scarcity of gold had anything to do with the great depression in her productive industries and material prosperity now admit that it has been the leading cause of it.

The only leading commercial and industrial nation of Europe which escaped the calamitous consequences of this craze for the demonetization of silver and the struggle for gold was France. She retained her bimetallic standard. Her more than five hundred millions of legal-tender silver coin distributed among her people, and held as a legal-tender reserve for her paper circulating medium, quickened and vitalized all her productive industries, increased her exports, and enabled her to retain without sacrifice or effort on the part of the Government or the people all the gold that Germany left her after she had been conquered and impoverished by the war tribute; and it has enabled her to gradually draw back the gold from Germany which was forcibly wrested from her.

In my former speech at this session against the suspension of silver coinage I dwelt upon the advantages that have accrued to France from her bimetallic currency, and do not desire to repeat it here.

I say to the members of this House, beware how you commit this country to the accursed policy which overtook some of the monarchies of Europe after the first Paris monetary conference of 1867 in a craze for establishing a monometallic gold standard, and entering upon a struggle for the largest share of that metal. It will be a sad day for our country and our people when the plutocracy of America are allowed to enter upon such a contest with the plutocracy of Europe.

Mr. Speaker, if any country or people have ever been injured by having too large a quantity of silver or gold coin in circulation we have no account of it. If the free coinage of silver or gold has ever worked an injury to the national prosperity, the trade, or productive industries of any nations or communities, those economists who urged the demonetization of gold from 1850 to 1860, and, after 1867, the demonetization of silver, have never pointed them. These are imaginary evils, always approaching, but which never arrive.

Mr. Speaker, I am not an inflationist. I am not seeking to greatly increase the circulating medium of this county. I am only urging that it shall keep pace with our increasing population and our advancing trade, commerce, and civilization, so as to prevent depression, shrinkage in values, a fall in prices, and particularly a reduction in the wages of laboring men, which must inevitably result if we do not check the increasing scarcity of gold by restoring silver, as a co-ordinate money metal, to free coinage.

HISTORY OF THE PRECIOUS METALS.

Mr. Speaker, to those who have studied the history of the increase and decrease of the precious metals in the civilized world, the predictions of trouble, panics, and confusion to arise from any increase in the product or in the coinage and circulation of either gold or silver, seem to be at war with the facts and results of actual experience.

The history of the production of the precious metals, and their effect upon the industry, trade, commerce, and general well-being of society, may be conveniently divided into four epochs: The first, from the beginning of civilized society to the discovery of America in the latter part of the fifteenth century, which may be called the pre-trade or pre-commerce age:—the second, from the discovery of America to the discovery of gold in California and Australia in 1849–'52, which may be called the silver age:—the third, from the discovery of gold in California and Australia to the demonetization of silver in Germany and the United States in 1872–'73, which may be called the golden age:—and the fourth, from the demonetization of silver in Germany and the United States to the present time, which may be called the age of demonetization.

The first period, which we have called the pre-commerce or pre-trade age, is only interesting from a purely historical standpoint. The prosperity of nations and the movements of the precious metals from one country to another during this period were governed more by wars and conquests than by the natural laws of trade, manufactures, industry, or commerce. Writers have attributed the fall of the Roman Empire to the collapse of the mines in Greece and Spain. It is said that money was then so contracted and congested in the hands of the few that no business was profitable, capital was debarred from investment, and the plutocracy gave itself over to debauchery and vice until the most imposing empire the world has ever known fell to pieces.

A late writer has shown how money was transferred from one ancient

state to another by wars and conquests, how millions of treasure have been at different eras wrested by conquest from India, and how it has gradually found its way back again. But this is too antiquated for our present purpose.

When America was discovered in 1492 it is estimated the whole stock of gold and silver coin then existing in Europe amounted to about $200,000,000, and the annual supply and product of the mines was only $500,000. For about thirty years after the discovery of the New World the new supply of specie did not average more than $250,000 per annum. From 1520 to 1545 the annual supply was about $3,000,000, six times as large as it had been prior to 1492.

In 1545 the celebrated mines of the Potosi Mountains in Bolivia were discovered, and after that the annual supply averaged about ten millions per annum until the close of the century (A. D. 1600). A late writer shows that in A. D. 1600 the annual supply was more than twenty times and the stock of coin in Europe nearly four times as large as they had been one hundred years before.

About the year A. D. 1650 the annual supply had risen to about thirteen millions per annum, and the stock of coin in Europe was estimated at twelve hundred millions. At this time (A. D. 1650) the stock of coin in Europe was six times greater than it was at the time of the discovery of the Western Continent, and the annual product of the mines was twenty-seven times as great, while prices had increased, according to Adam Smith and Jacob, only three and one-half times.

Here the rise of prices stopped, although the yearly product of the mines continued largely to increase. Before the close of the seventeenth century the product of the mines amounted to $20,000,000 per annum.

Throughout the eighteenth century the annual output averaged $35,000,000, and during the first years of the present century, up to 1810, the annual product of the mines amounted to fifty million. This is one hundred times as great as it was in 1492, and four times as large as it was in 1640 when prices ceased to rise. The existing stock of coin in Europe and America in 1810 was about nineteen hundred millions, about ten times as large as it was in 1492 and about double what it was in 1650. Yet the best authorities show there was no rise in prices or fall in the value of money after 1640, even though in the interval the product of the mines had quadrupled and amounted in the aggregate to $5,000,000,000.

This shows that the production of the precious metals increased in a steady and uniform ratio during the three centuries which followed the discovery of America. The annual supply and the existing stock of coin in Europe and America during a century and a half after 1492, and after the opening of the Potosi mines, bore a greater ratio to the previous stock than was the case in subsequent centuries; yet there was no rise in prices and the value of money did not increase after the year 1640.

These facts and this long experience shows the correctness of the principles laid down by different writers, Jevon and others, that any new annual supply of the precious metals produces its greatest effect upon the value of money in the early years after it commences, because during this time it bears a greater proportion to the existing stock than any equal supply can bear in subsequent years.

The facts and experience of this portion of the silver age, from the discovery of America to 1810, more than three hundred years, demonstrates the great influence of the ordinary growth of population and trade upon the value of money. As population steadily increases, if this increased population is to be maintained even in its previous condition, industry, trade, commerce, and the profits thereof must increase in proportion. If the modes of life and the social condition of mankind are to progress and improve there must be an increase of the circulating medium per capita, and there must necessarily be a great increase of profitable employments and exchangeable property. All these things create increased monetary requirements.

This accounts for the fact that although there was a large and ever-increasing stock of precious metals from 1492 to 1640, and a still greater increase thereafter up to 1810, yet there was no rise in prices and no increase in the value of money from the middle of the seventeenth century (1650) to the early part of the nineteenth century (1810), although the annual increase of the precious metals after 1640 was four times as much per annum as it had been before that time.

The actual results drawn from the experience of this portion of the silver age may be studied to great advantage by those so-called bimetallists who are afraid that free coinage will result in a deluge of silver coin, or cause an inflation of the circulating medium in this country or an undue rise in prices.

After 1810 there occurred a great falling off in the yield of the gold and silver mines. In 1815 the product was about the lowest during the present century; and still the product during that year equaled in amount the yield in 1640, when prices reached the highest point. Between 1810 and 1830 Jacob estimates the annual product at $25,000,000, more than double what it was in 1640, when prices ceased to rise. But as shown, and now admitted, there was a great dearth of money and a great falling off in prices between 1810 and 1830.

This monetary scarcity went on increasing for the next twenty years from 1830 to 1850, although the annual production of precious metals increased before 1848 to sixteen million on account of the product of the new Russian gold mines in the Ural Mountains.

These facts show that between 1840 and 1850 a yield of ninety millions of the precious metals per annum did less for the wants of the commercial world than ten millions had done prior to 1810, and, as said, less than two millions had done three centuries before. The year 1850 was the close of the silver age; the mines of California were discovered in 1849.

Mr. Speaker, had the monometallic school of money economists carefully studied and appreciated the facts and lessons of these three centuries of monetary experience they would have been better prepared to meet in the proper spirit, and aid in alleviating, the distress and panics which have been laying so heavily upon the commercial world and our own country during the past ten years, arising from the accursed and short-sighted policy of the demonetization of silver.

We have not time to review and point out the great benefits derived from and the progress made in civilization, trade, commerce, and the well-being of society consequent upon the discovery and yield of the precious metals in the western continent from 1492 to 1800. The yield of the mines in the new continent did more to lift the world out of the darkness that had settled upon it during the Middle Ages and advance it again on the path of civilization and progress than all else combined. It is fortunate for the human race that no dogmatic theorist had influence enough during this silver age to cause any of the nations to demonetize the white metal.

The discovery of gold in California and Australia marks the beginning of the golden age. The production of the precious metals, mostly gold, was much larger than in the previous period. It was largest during the first ten years. The greater portion of the gold was taken from the placer mines, which are easily worked without capital and are exhausted in a short time. The yield of gold in the world in 1851 amounted to $80,000,000, and in 1852 and 1853 to $165,000,000 per annum. During the next six years it amounted to more than $130,000,000 per annum.

In 1860 the yield of silver began to increase on account of the discovery of the mines in Nevada. The silver supply began to increase about the time the gold product fell off, and sufficed to maintain the production of the precious metals at from one hundred and seventy-five to two hundred millions per annum. It is unnecessary to dwell upon the wonderful increase of trade and commerce, the growth of manufactures, and the wonderful advance in the material prosperity and welfare of man consequent upon the great yield of gold from the mines of California and Australia during the third quarter of the present century. They are fresh in the minds of many persons now living.

It was during this period that the American Republic grew in material prosperity until it overshadowed all other countries in the world. Thousands of enterprising merchants, manufacturers, and men of commerce throughout the commercial world, many of whom have been impoverished by the period of demonetization, look back upon this era as the brightest of their generation and hope for its return.

Mr. Speaker, is there a money or a political economist who will to-day stand up before the people of his country and say that the demonetization of gold, or its limited coinage, during this period would not have been a curse to the people of his race and country? But, sir, during this golden age many of the so-called money economists of Europe were urging the demonetization of gold and prophesying all manner of evils if their advice was not heeded. And what seems passing strange is that to-day some of these same economists and their followers are treated as authority by the so-called monomentallists and those who are urging the suspension of the silver coinage and who are predicting all manner of evil to grow out of the rebabilitation of silver by free coinage.

The agitation of demonetization commenced in 1867 at the first Paris monetary conference. The success attending the formation of the Latin Union in 1865 caused the gold monometallist party to call the conference of 1867 and to recommend to different nations the establishment of an international gold standard.

Short-sighted politicians and economists attributed the wealth and commercial superiority of England to her having adopted the gold standard in 1816; although England's own greatest statesman has said that the gold standard in England was not the cause, but the result of her commercial superiority and wealth.

In 1871 the unfortunate war between France and Germany broke out. Germany wrested one thousand millions of war tribute from France and consolidated the German Empire. She thought she was then in a condition to assume the same position of commercial superiority, and to follow the example of England by establishing a gold standard. We have herein shown the sad results of her experiment. She is to-day commercially and industrially a prostrate victim before the shrine of silver demonetization.

Mr. Speaker, like all misfortunes Germany's experience has produced at least one good result. It has effectually cured the disease of demonetization among the people and nations of Europe. I say to those who claim to be bimetallists and who oppose the free coinage of silver, because, as they say, they are afraid that some nations of Europe will melt down their silver coin into bullion and export it to this country, that they have no intelligent conception of the feeling throughout the commercial world to-day upon this question.

Even the gold monometallists of England, the gold monometallists

of the Latin Union and France who urged demonetization a few years ago, and many of the Germans who favored the imperial policy, now with one accord admit that it has been a great mistake; and the only question now discussed among them is how shall we remonetize instead of demonetize silver.

A few years after the great production of gold in California and Australia, Michel Chevalier and a number of economists of his school in Europe urged the demonetization of gold on the ground that money was becoming so cheap, and property appreciating so much in value, the creditor classes would specially suffer and the inflation of the currency would produce confusion and result in panics.

The fact that Professor Jevon and others had shown that between 1809 and the discovery of gold in California and Australia there had been a great appreciation in the value of money and a great depreciation in the value of all productive property, and that the prices of all commodities had fallen from 25 to 50 per cent., was ignored by this school of economists. Although it was pointed out that fixed incomes had more than doubled in value between 1810 and 1840 on account of the great falling off in the product of the mines and the decrease in imports of silver from South America and Mexico, and although the yield of gold for some time could only supply a pre-existing want instead of inflating the currency, still they insisted on its demonetization.

The same school of economists, after the increase in the production of the silver mines in the United States, commencing about 1870, began to agitate the demonetization of silver. Although there were panics and trade depressions in 1873, and the yield of gold in this country had fallen from fifty-three million in 1866 to thirty-six million in 1873, and the silver product was only thirty-five million in that year; although the increase in the product of silver did not equal the falling off in the product of gold; and although it had been indisputably shown that gold had risen in value from 20 to 25 per cent., that prices had fallen in the same ratio, that silver had not depreciated in value even when considered with reference to its bullion value in its relation to all other commodities except gold, nevertheless this same school of economists insisted upon the demonetization of silver and advanced the same dogmatic theories and assertions which they had before repeated, from 1850 to 1860, in favor of the demonetization of gold.

Suppose the different nations had listened to this school of economists thirty years ago, and by demonetization sent the gold of California and Australia into banishment, it would not have rendered to the commercial world the great service which it is admitted to have actually performed; we should have had only silver money, now admitted to have been very scarce at that time, and insufficient to meet the demands of industry, trade, and commerce.

As shown by a learned European economist, no more imprudent measure could be conceived of, at a time when many circumstances were conspiring to increase the use of metallic money, than the general demonetization of silver. The commerce of civilized nations is increasing in an unexampled measure. During about the last twenty-five years since accurate statistics of foreign commerce can be obtained it has increased in England over 100 per cent.; in France over 150 per cent.; in Belgium over 250 per cent.; in Russia over 250 per cent.; in Austria over 200 per cent.; and in Italy, as some attempt to show, over 500 per cent. The commerce of Europe has more than trebled; it has more than doubled upon the entire globe and there is nothing to show that it will not continue to increase.

These enormous commercial transactions are no doubt largely carried on by bills of exchange; but there must be a certain amount of coined money which forms the reserve and foundation of all well regulated and stable business and credit. International trade will therefore continue to demand more money.

In the United States the increase of trade and commerce has been marvelous. I said in my former speech:

> The increase in the accumulation and value of property has been, and is, immense, and the continued increase in population and in the volume of exchange, trade, and commerce is almost beyond computation. During the twenty years from 1860 to 1880 the value of property in the United States increased 214 per cent., at the rate of 10.7 per cent. per annum. The foreign commerce of this country from 1860 to 1880 amounted to 40 per cent. more than all the commerce of the United States from the Revolution to 1860.
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> The internal commerce of this country has passed all precedent, and almost conjecture. It is estimated to be twenty times greater in amount than our foreign commerce. When we contemplate that this commerce is aided by the operation of over 100,000 miles of railroad, more than exist in all other parts of the world, and nearly all constructed during the last forty years; that it is aided by internal navigation upon thousands of miles of the greatest lakes and rivers in the world; that it is enlarged by the production of the greatest crops of cereals in the Western and Southern States the world ever saw, to be exchanged for the immense quantities of manufactured articles produced in the Middle and Eastern States, figures and statistics are set at naught and the mind staggered in its efforts to comprehend its immensity.
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> To carry on this great commerce and trade we imperatively need, as one of the mediums of exchange and measures of value, the coinage of all the silver dollars our mines can produce. The amount of silver coined into money from 1875 to 1883 ranged from one hundred to one hundred and sixty-one millions per annum. This coinage among the larger states was as follows: The United States, twenty-seven millions; Mexico, twenty-five millions; India, twenty-nine millions; Spain, ten millions; and the balance among other countries. The best estimates show that during the past ten years a great deal more silver has been coined in the word than all the mines have produced.

Mr. Speaker, I have tried to discuss this subject according to the historic and inductive method. I have endeavored to throw aside the old deductive method of treating the subject by assuming dogmatic principles and theories and then proceeding to argue that certain things are so because they must be so or they would not be in harmony with the assumptions and dogmas laid down.

There are now two distinct schools of political economy. One may be called the old orthodox school. Those who differ with the dogmas and vagaries of this school are regarded as heretics. The late school has been called the historical and inductive, or the realistic. It seeks by inquiry and investigation to find out the true facts and results of the workings of economic policies among communities and nations, and to draw lessons of wisdom from their experience. The paramount object of this school has been well stated by De Laveleye as follows:

> The object to be attained, as I think all the world will now admit, is to ameliorate the condition of the laboring classes in such manner that each person may enjoy a measure of well-being proportioned to the part which he has taken in production; or to sum the matter up in a single word, to realize in the economic world that formula of justice to each according to his works."

This is the language of an economist now recognized as one of the foremost advocates of the free coinage of silver throughout Europe. He made this grand statement in an address delivered before the Economy Club of London. I have read and heard of nothing that I would so earnestly commend to the serious consideration of that class of capitalists and gold-bugs now designated as the plutocracy of America.

The prominent members of the historic school of economists in both Europe and America are true bimetallists and demand the free and unlimited coinage of silver on an equality with gold. They demand this because the economic history of the world shows by undisputed facts that during the periods when there was an increase of the product of the mines, and a consequent increase of the circulating medium, the people advanced in material prosperity and social well-being; and that whenever the yield of the mines has fallen off, or other cause, resulted in the contraction of the currency depression and stagnation in all productive industries has been the result. During such periods money has accumulated in the hands of the few and at the money centers. It has advanced in value without being invested or loaned for interest and the people generally, particularly the laboring classes, have suffered.

The old orthodox school are always ready to explain that it is not the contraction of the currency that brings about depression of trade. They always say at such times that money is not scarce but is plenty and cheap because it can be borrowed at a low rate of interest. This false deduction regarding low interest has always been made and repeated to show that money was not scarce. One of the very characteristics of depressed or "hard times" is that money can always be borrowed at a very low rate of interest. At such times prices are always falling; money is rising in value and everything else depreciating. Every person is afraid to invest money in any productive enterprise, or even in real estate. A small amount of property changes hands at such times, except at forced mortgage sales and upon the auction block. Few manufactories are operated, few railroads are built, the laboring men are thrown out of employment and asking the privilege of working for bread, and yet the orthodox economists say that money is cheap and plenty because you can go to the money centers and obtain it at a low rate of interest, and that you are mistaken when you say "times are hard" and you can not obtain work to earn a living for your families.

Mr. Speaker, I have heard since the opening of Congress railroad millionaires, the gold-bugs, and their advocates in speeches on this floor eloquently describe how the poor laboring man was suffering and would suffer from being paid in cheap silver dollars; and stating how they sympathized with the laboring man when he was compelled to take a silver dollar worth 20 cents less than the gold dollar. How gratifying it must be to the thousands of laboring men who are out of employment, awaiting the result of strikes and hoping for the privilege of earning food and clothing for their families, to be told that they will suffer from having to receive in payment for labor cheap silver dollars. The particular character of the dollar in the London market interests them but little. Their struggle is for the privilege of obtaining any kind of a dollar that will purchase the necessaries of life.

Mr. Speaker, I have heard many gentlemen upon the floor of this House contend that money was not scarce but was plenty and cheap, and to prove this assertion state that it could be borrowed in New York, Boston, or Philadelphia at less than 3 per cent. They do not seem to understand that money has two kinds of value, one for the purpose of loan and the other for the purpose of purchase and investment. They do not comprehend that low prices, hard times, and low interest go together, and that high prices, productive prosperity, and high interest go together. A review of the history of the different periods of what are commonly called "good times" and "hard times" shows that this is the absolute truth. When prices are good and rising, money seeks investment in the productive industries and all the avenues of trade and employment are active. When prices are low and falling, as they have been for the past few years, capital becomes timid and will loan its money at a nominal rate of interest rather than invest it in any enterprise or productive industry.

It is now conceded that gold has risen in value over 25 per cent. during the past ten years. So the owner of a quantity of gold could have locked it in a vault ten years ago and refused to invest it in any

of the productive industries for the benefit of the people or community, and still his wealth would have greatly increased. No future contracts such as stimulate enterprise are entered into. Real estate can not be sold or rented because it is continually falling. The British Parliament undertook to fix the rent rate for Irish tenants a few years ago, and now they are unable to pay them on account of the great falling off in prices and the rise in money. There is actual distress throughout the agricultural regions where the laboring classes have generally been most prosperous and happy.

The same state of things existed for a long time after the final establishment of the gold standard by England in 1820. The distress and depression that has followed demonetization of silver in Germany is almost a complete repetition of the experience of the British Empire when she established her gold standard. But the orthodox monometallists seem to have learned nothing from these historical facts and teachings. They absolutely ignore them. There is but one way to explain why so intelligent a class of men continually strive to ignore these facts and lessons and close their eyes to the existing condition of things arising out of the demonetization of silver. It is that the object of their school of economy is the opposite from the historic school, and always has been to promote and encourage the accumulation of permanent wealth in the hands of the few.

This school of money economists in Europe up to a few years ago had not denied that this was their object. The welfare of their government and the prosperity of their nation, according to their theory, depended upon this. There is consistency in the position of these European economists of the orthodox school. But the mystery remains unexplained how American statesmen can adopt the theories and dogmas of this school and still claim they are advocates of laws and policies which have for their object "the greatest good of the greatest number."

Mr. Speaker, these are practical questions in their application to our industries and the condition of the laboring people of this country. As so well said by Leon Say, the president of the monetary conference of 1878, "monetary questions are without exception practical questions, and should in my opinion not only not be decided but not even approached and discussed except after a study of the facts and their relations." No intelligent and unprejudiced man can diligently study the history of the facts and relations that have governed the production of the precious metals in past periods, in connection with the history of the demonetization of silver in 1873 and since, and come to any other conclusion than that the full rehabilitation of silver by free coinage will carry out the policy of "the greatest good to the greatest number" in this country.

Mr. Speaker, I can congratulate the people of this country upon the fact that very great progress has been made in the direction of the free coinage of silver during the past few months. A large number of the people of this country supposed, and the balance were afraid, that the influence of the administration and the money power of the East would be sufficient to bring about the suspension of silver coinage shortly after the meeting of the Forty-ninth Congress. Now, sir, I venture the assertion that the proposition to suspend silver coinage will be voted down in this House by more than two-thirds majority; and if the free-coinage bill does not pass this House at the present session, it will not be long before the people of this country will elect a majority of representatives who will pass a free-coinage bill.

A very encouraging feature of the money question in this country is that the people everywhere are beginning to discuss it. The orthodox school and the gold-bugs have heretofore contended it was a question the people knew nothing about and had no right even to discuss or agitate. But, sir, the people are discussing it all over this country and even in Europe. There is no doubt the laboring men begin to see that this money question is one which greatly affects their wages. The monometallists of England have lately frankly admitted that if gold continues so scarce and prices continue to fall wages must fall also.

The agitation throughout Germany in favor of the free coinage of silver is such that Bismarck, with all his power, can not much longer resist it. This great man said not long ago "gold is becoming like too scanty a blanket which everybody struggles for, and which makes people squabble."

Mr. Speaker, there will be a great squabble on the part of the politicians who represent the monometallists and oppose the free coinage of silver when they hereafter desire to become representatives of the people.

FREE COINAGE WILL RAISE THE PRICE OF SILVER.

Mr. Speaker, it is even contended that free coinage will not advance the price of silver. Here again all the facts of history have to be ignored to support such a statement. The free coinage of silver in France from 1806 to the time of suspension of coinage by the Latin Union controlled the price of silver in London and kept it at about 60 pence per ounce, or at the ratio of 15½ to 1 of gold. Mr. Ernest Seyd has proved by indisputable figures that the variations in the value of silver quoted at London during this period were governed by the monetary value of it in Paris and elsewhere in Europe.

It is said that money is nothing but a commodity, or merchandise, and law can not change the value of it. But money or money metal must not be confounded in value with other merchandise; it essentially differs from them; it has a peculiar nature and character arising out of free coinage; it is endowed with a certain fixed debt-paying power and a market value at the national banks and mints throughout the commercial world where free coinage exists. The price of gold bullion is practically invariable because there is free coinage of that metal. A gold dollar can be obtained for every 25.8 grains of standard gold, and hence the bullion price of gold is at that rate. When the free coinage of silver is established every 412½ grains of standard silver will be worth a dollar, because the holder of it can take it to a mint and obtain a dollar for it. When free coinage of the money metals exists their quantity is limited not by law but by nature, as it should be.

We have herein shown, by the history of the production of the precious metals, that the whole product of all the mines in the world at the present time, of both silver and gold, is not sufficient to keep the circulating medium, per capita, what it has been during the past quarter of a century; and that instead of the free coinage of silver causing an imaginary dump in this country, there is no probability that all the silver that can be obtained for coinage will increase the circulating medium in proportion to the increase of population and trade. The history of the output of the precious metals and their effect upon the material prosperity and well-being of society shows that such an increase would be a blessing indeed, but there is no reasonable hope of it.

Sir Roderick Murchison, of whom it has been said that he was the greatest geologist that ever lived, after he had examined the gold mines in the Ural Mountains and Australia and inquired into the probable output of gold in the future, said:

> The quantities of gold and silver procurable will prove no more than sufficient to meet the exchanges of an enormously increased population and an augmenting commerce and industry. Providence seems to have originally adjusted the relative values of the precious metals, and the fact that their relations have remained the same for ages, will survive all theories.

As was well stated by the German economist, Ottomar Haupt, regarding the effect of free coinage upon the price of silver:

> Why the effect would be precisely the same as with gold; that is to say, the mint pars and bullion points would work out exactly—let it be well understood, exactly—at the same figures as those before us. * * * The term gold point would, in fact, henceforth cease; at least that of silver point would just as much be employed for specie movements, and in any case be fully at par with it.

I do not claim to be able to state just how soon this entire parity of value between gold and silver will be brought about by free coinage. It may bring about a few jostles that can not be foretold correctly at this time. The great curse of demonetization has brought radical changes into the money markets, and if it takes a few slight jostles and reactions to bring about the readjustment they are necessary to cure a great evil and cause a return to sound principles.

Silver Coinage.

SPEECH

OF

HON. JOHN B. STORM,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, March 20, 1886,

On the bill (H. R. 5690) for the free coinage of silver, and for other purposes.

Mr. STORM said:

Mr. SPEAKER: The currency of a nation is a matter of supreme importance. A sound currency is essential to national well-being. Commerce and trade can not prosper under an unsound, false, or vicious system of finance. It is now generally admitted that gold or silver or both, must be the foundation of a sound currency. While paper money may be preferred as an actual circulating medium, yet that currency must have a metallic basis of either coin or bullion. The attempt to maintain an irredeemable paper currency has so often and uniformly failed that no modern economic writer of good standing defends it.

The Greenback party, which favored an unlimited issue of paper promises, has had its day. Of the three hundred and twenty-five members composing this body my colleague from the Schuylkill district [Mr. BRUMM] is the only one, so far as I know, who is willing to write himself down as a Greenbacker. The contest is no longer between a paper currency and a metallic one. The issue as now made up is one between gold and silver, or monometallism against bimetallism.

But what do these terms mean when applied to the question now being discussed? The primary and etymological meaning of monometallism is a belief in one metal, as bimetallism is a belief in the use of two metals. But the discussions of the last twenty years have evolved another meaning of these terms, whereby monometallism is made to mean a preference for gold as the sole unit of value with an unlimited legal-tender capacity, together with silver as a subsidiary coin with a limited legal-tender capacity; and bimetallism is a preference for gold and silver, each being a standard of value, and each possessing a full legal-tender capacity.

In this latter sense I am a monometallist. I believe that gold alone

should be the unit of value, and endowed with a full debt-paying quality, with silver for smaller change, with a limited debt-paying capacity.

Mr. Speaker, if mankind were limited in its choice as to which of the metals, gold and silver, it would prefer for its currency, it would always select gold. This preference seems almost instinctive. It is true that in the early stages of society, when exchanges were few and commerce very limited, silver and even copper answered very well. But in our day when exchanges are many and great, and the affairs of life require a greatly increased use of a circulating medium as the measure of values, copper and silver are found to be too clumsy and burdensome for use as an instrument of exchange, and gold is naturally and universally preferred to them.

The events which have taken place in the world during the last quarter of a century, resulting in the demonetization of silver and the adoption of a single gold standard by nearly all the commercial states of Europe, bring us face to face with this question: which of the two precious metals will we adopt for our standard of value? If we can not keep both in circulation, which will we give up, and which will we keep? As our gold circulation is over $625,000,000 against about $262,000,000 of silver the matter of choice is not difficult.

It is denied I know that we are reduced to such a necessity of choice. I shall endeavor to show that we are. I shall try to prove that, if we wish to maintain our gold circulation, we must cease the coinage of standard silver dollars as provided in the act of February 28, 1878. It is admitted that there is no absolute, unvarying standard of value. Gold and silver fluctuate in value, but not to the same extent. Like all commodities which are bought and sold in the market, the law of supply and demand influences to a certain extent the market value of silver and gold bullion.

The great increase in silver between 1780 and 1820 depressed the market value of that metal. Again, the great increase in the production of gold in Australia and California in 1850 had a like effect on the value of gold. Again, in 1876, a remarkable fall in the value of silver took place, caused by the great yield of our mines and the vast quantity of it thrown upon the markets of the world by the demonetization of silver in Europe. Yet these metals do not vary like the common commodities of life. They are not dependent on climate, soil, and seasons. By an arrangement of an all-wise Providence they are so widely spread through the earth, mixed with baser materials, and the amount of labor required to mine and purify them is so constant, that the annual production is generally even and uniform.

While it is true that there is no absolute standard of value in the sense that we have an absolute standard of length, it is also true that the difficulty is greatly increased by attempting to maintain two standards of value. The skill of the mechanic has enabled him to produce a compensating pendulum which will maintain the same length through all the days of the year. But human ingenuity has not been able to produce two clocks which will keep company in their beats during the whole year. It is essential to the welfare of the people that the least changeable unit of value shall be adopted. When A loans to B $100 to be paid back at some future period, the former has a moral right to have returned to him not only the same number of dollars, but also of the same value they possessed when he parted with them. And B has a moral right to insist that in the payment of his debt he shall not be called on to pay more dollars, or dollars of a greater value, than those he received. But with two fluctuating standards of value, A may be compelled to receive less than he loaned, and B may be compelled to pay back more than he received.

The advocates of the continued coinage of standard silver dollars have indulged in a great deal of talk about the debtor and creditor classes in this country, and represent that this is a fight of the creditor class against the debtor class. It is evident that such is not the case. From the illustration I have just given it is manifest that the debtor class is just as likely to suffer from a fluctuating standard of value as the creditor class. In fact it is well known that they suffer more.

Mr. Speaker, I regret very much to believe that some motive of this kind underlies much of the opposition to the stoppage of the coinage of standard silver dollars. It has cropped out in this debate, and can easily be read between the lines of many of the silver speeches on this floor. It has been argued here that the eastern part of our country is the creditor portion; that they are the bloated "bondholders;" that a gold standard is only intended to benefit Wall street, stock-gamblers, and so on. To speak more plainly, they believe by the continued coinage of silver dollars, under the act of 1878, with 412½ grains of standard silver, they can scale down that debt 20 cents on the dollar, or, in other words, repudiate 20 per cent. of an honest debt. I have no doubt that this accounts for the strong support unlimited silver coinage receives from that section of the country which now prefers to style itself the debtor part of the United States.

Suppose such a division of the country into a debtor and a creditor class be correct, is this principle of indirect repudiation an honest one? I deny, however, such a classification by territory. The debtor and the creditor are to be found in all sections of the land, and in every State and Territory of the Union. The principle of repudiation implied in these silver speeches is a two-edged sword, and cuts both ways. It is a poisoned chalice which may be commended to the debtor's lips at no very distant day.

When the Government placed its bonds on the market for sale every citizen had a right to buy if he felt inclined. If some had more faith in the Government's inclination or ability to pay than others, and thereby secured a desirable investment, are they to be denounced as robbers and thieves and "bloated bondholders?" In point of fact, these bonds are held for a large class of deserving people. They are owned by savings-banks and trust companies for the benefit of widows, minor children, and orphans, and for depositors of wages and small earnings.

But the most absurd of all statements is the one that Wall street stock-gamblers and the Jay Goulds are benefited by and interested in a sole gold standard. The gentleman who can make such a statement on this floor is entirely too innocent even to be a "lamb." Wall street stock-gamblers and the Jay Goulds interested in maintaining a steady standard of value! Why, this is the very class of people who live and thrive by fluctuations in value. They deal entirely in margins. What they make or lose is done in the rise or fall of value. Look over the list of stocks which are daily kicked about in the markets like a football; you will find they are the watered stocks of some railroad or telegraph company, of some mismanaged corporation of doubtful solvency. The stocks of well-managed and honest corporations are never speculative. Stock speculators never deal with them. If they are bought and sold in the markets it is for the purpose of *bona fide* investment.

Mr. Speaker, I repeat we must make our choice between gold and silver. Both can not circulate *pari passu* when both are invested with a universal debt-paying capacity. There is no economic truth better established than the so-called Gresham law. That law briefly stated is, that an inferior coin will drive from circulation a superior one. It is based upon a universal principle of human nature, which is that the owner of any product, whether grain or bullion, will sell it to the person who will give him the largest sum of money. If gold is worth more in its bullion state than when coined the owner will not carry it to the mint to be coined. If the owner of silver bullion finds that he can get more for it at the mint he will take it there and get it back coined into dollars. This law has been demonstrated over and over for more than two hundred years in the financial experience of Europe and America. And what is the answer which has been made to the operation of this law? That it has not yet produced any such result; that we have coined silver since 1878 at the rate of two millions per month and gold has increased rather than decreased.

In the language of Holy Writ, "because sentence against an evil work is not executed speedily, therefore the heart of the sons of men is fully set in them to do evil." Because the predictions of our President uttered over a year ago have not been fulfilled, he is denounced as a false prophet, and our silver friends want to repeal all laws limiting the coinage of silver. The laws governing human society are more recondite and difficult to investigate and understand than those governing the material world. They are infinitely more complex than physical laws. While under certain conditions we can always predict even in social science that certain events must and will take place, yet owing to the presence of unseen influences which we can not satisfactorily determine the happening of the event may be hastened or retarded.

Several satisfactory reasons may be assigned for the fact that silver has not yet expelled gold under the operations of the Gresham law, or why it may not do so for several years to come. One reason is, that a favorable balance of trade has not made it necessary to ship coin or bullion abroad to adjust an unfavorable balance. Another is the restrictions placed in the act of 1878 limiting the coinage to not less than two millions nor more than four millions per month. And still another reason is to be found in the action of the present Secretary of the Treasury in trying to force silver into circulation. In his very able answer to the House resolution of recent date he sets forth what he has done in this respect. Among other things he says:

> Meanwhile the silver-dollar circulation has been enlarged from March 4, 1885, to date, from about $40,000,000 to about $51,500,000. I have labored to promote the circulation of silver with unremitting energy. I have pressed its circulation at a constant expense to the Treasury when other forms of lawful money could have been circulated without such cost. I have pressed its circulation at the expense of the United States notes (ones and twos), which as fast as redeemed have been reissued only in larger denominations. I have pressed its circulation at the expense of the circulation of national-bank notes. I have upheld its value by never compelling its receipt by any creditor of the Government and never failing to provide by exchange or transfers whatever currency might be preferred.

The railing accusations brought against the Secretary of the Treasury that he is trying to prevent the silver dollar from going into circulation are fully answered in this very able document. But with all these favoring circumstances the Gresham law will sooner or later produce its legitimate results, and the inevitable day must come when gold will cease to be a part of our circulation.

The very basis of inductive science is experience. We say those effects which have uniformly followed a given combination of circumstances in the past will under like circumstances be repeated in the future. In every case in our own history where we have had two currencies, and one was undervalued in the ratio of equivalence, the under-

valued one (which is the same as the more valuable coin) has ceased to circulate.

In 1792 Congress enacted the first coinage law. Hamilton, the greatest financier of his day, was then Secretary of the Treasury. By that act the proportional value of gold to silver was fixed at the ratio of 15 to 1. In this very first coinage law gold was slightly undervalued. The market ratio was then 15.6 to 1, and was in the process of increasing. By the year 1810 the gradual decrease in the gold circulation was noticeable, and was commented on by the public men of the day. The coinage of silver in 1812 was $814,029.50 against a gold coinage of $290,435. By the year 1820 silver had practically driven gold out of the country.

In 1834 Congress recognized the operation of the Gresham law, and it was not slow in applying what it then supposed was the remedy. It saw that gold was undervalued, and instead of going into the melting-pot it was sold at a profit as bullion. What was done? The ratio of equivalence was readjusted, and raised from 15 to 1 to 16 to 1, and the number of grains of pure gold in each dollar was reduced from 24.75 to 23.2. But in avoiding one extreme the statesmen of that day fell into another. They had now undervalued silver, and the Gresham law was reversed. Silver began to disappear and gold reappeared. So marked was the operation of the act of 1834, although not approved until the 28th day of June, 1834, that the gold coinage for the balance of that year was $3,954,270, as against $978,550 of the previous year. The large production of gold in California, Australia, and Russia by 1852 helped very much to aggravate the evils of the undervaluation of silver in 1834. Gold was thus reduced in value and increased in circulation, while silver was correspondingly increased in value, but decreased in circulation. In fact, silver practically ceased to be a part of our circulation, and we were deprived even of our small silver coin necessary for change in retail transactions; for under the acts of 1792 and 1834 the half and quarter dollars, dimes, and half-dimes had the same proportional amount of pure silver as the silver dollar. To remedy this evil Congress in 1853 practically abandoned the attempt to maintain silver dollars in circulation; but in order to keep in circulation a sufficient quantity of subsidiary coins it resorted to a device which proved effectual. It debased the smaller coin in order to free it from the evil effects of fluctuations between the gold and silver standard. When the coinage act of 1853 was passed the silver half-dollar contained 206½ grains of standard fine silver, just one-half the number contained in the silver dollar.

The act of February 21, 1853, provided that after the 1st day of June, 1853, the weight of the half-dollar, or piece of 50 cents, should be 192 grains, and the quarter-dollar, dime, and half-dime respectively one-half, one-fifth, and one-tenth of the weight of the half-dollar. Another important provision of this act was that these subsidiary silver coins were made a legal tender in the payment of debts for all sums not exceeding $5. This act showed a better knowledge on the part of Congress of the true principles which underlie a sound system of finance than any of its predecessors had. It was the first statutory recognition of the fact that gold and silver could not be kept in circulation for any great length of time when both were endowed with full and unlimited debt-paying power.

Whereas in 1852 only $999,300 of subsidiary coins were struck at the mints, the next year, under the impulse of the act of 1853, $9,077,571 were coined—a ninefold increase. This act is justly claimed by approved writers as the one that really demonetized the silver dollar, and not the act of 1873, which but formally declared what had been accomplished twenty years before; for the "dollar of our fathers," about which we have heard so much, cuts but a sorry figure in our financial system. From 1793 to 1853, a period of sixty years, 2,507,732 only were coined; and from 1853 to 1878, a period of twenty-five years, only 5,539,948 were coined; making in all a little over eight millions in eighty-five years. How many remained in circulation in this country in 1873 no one can tell. But surely the act of 1873, formally demonetizing the silver dollar, was not such a serious crime as the gentleman from Iowa [Mr. WEAVER] would have us believe.

But why multiply instances to prove the correctness of the Gresham law? We had abundant corroborative evidence in the Revolutionary war and in the recent war, and the experience of the continental nations of Europe is to the same effect. From my study of the question, bimetallism in the sense it is used by the advocates of the unlimited coinage of silver dollars is as impossible as perpetual motion. Under the existing state of affairs here and in Europe it is as wild and chimerical as the search for the philosopher's stone or the fountain of perpetual youth. It is an *ignis fatuus*—a dream impossible of realization. To complete the proof of my proposition, that we must select which of the two precious metals we will retain for our standard of value and which we will use for subsidiary coinage, I will present the following tables to show, first, the fluctuations of the market value of silver itself; then the fluctuations in the value of the standard silver dollar of 412½ grains; and lastly, the fluctuations in the relative value of gold to silver from 1834 to 1885; these were prepared at the Mint of the United States, and are official.

The tables read like the annual register of the thermometer in the Signal Service Bureau. They show that silver is entirely too changeable to form a standard of value. A yard-stick, 36 inches long to-day and 29 inches long to-morrow, would be a fair illustration of the movement of silver and the silver dollar for the last half century.

Table showing fifty years' prices of silver, measured by gold.

[From tables prepared at the Mint of the United States.]

	Price of pure silver per ounce in London.*			Average price of pure silver, per ounce, in gold.	Value of standard silver dollar, 412½ grains, in gold.	Relative value of gold to silver.
	Lowest.	Highest.	Average.			
1834	59	60¾	59 11/16	131.3	101.62	1 : 15.73
1835	59¼	60	59 1/16	130.8	101.20	1 : 15.80
1836	59	60⅜	60	131.5	101.72	1 : 15.72
1837	59	60⅜	59 9/16	130.5	100.98	1 : 15.83
1838	59⅛	60⅛	59⅛	130.4	100.88	1 : 15.85
1839	60	60⅜	60⅛	132.3	102.36	1 : 15.62
1840	60⅛	60⅛	60⅛	132.3	102.36	1 : 15.62
1841	59⅜	60	60 1/16	131.6	101.83	1 : 15.70
1842	59	60	59 7/16	130.3	100.77	1 : 15.87
1843	59	59⅜	59 3/16	129.7	100.34	1 : 15.93
1844	59¼	59⅜	59⅛	130.4	100.88	1 : 15.85
1845	58⅞	59⅛	59⅛	129.8	100.46	1 : 15.92
1846	59	60	59 5/16	130.0	100.56	1 : 15.90
1847	58⅞	60⅜	59 11/16	130.8	101.20	1 : 15.80
1848	58½	60	59⅛	130.4	100.88	1 : 15.85
1849	59	60	59⅜	130.9	101.30	1 : 15.78
1850	59¼	61⅛	60 1/16	131.6	101.83	1 : 15.70
1851	60	61⅛	61	133.1	103.42	1 : 15.46
1852	59⅞	60⅞	60⅛	132.6	102.57	1 : 15.59
1853	60⅜	62	61⅛	134.1	104.26	1 : 15.33
1854	61⅜	61⅞	61⅛	134.8	104.26	1 : 15.33
1855	61	61⅛	61 5/16	134.4	103.95	1 : 15.38
1856	60½	62¼	61 5/16	134.4	103.95	1 : 15.38
1857	61	62⅜	61⅜	135.3	104.69	1 : 15.27
1858	60¾	61⅛	61 5/16	134.4	103.95	1 : 15.38
1859	61⅛	62⅛	62 1/16	136.0	105.22	1 : 15.19
1860	61½	62⅜	61 7/16	135.2	104.58	1 : 15.29
1861	60½	61½	60 15/16	133.3	103.10	1 : 15.26
1862	61	62½	61 7/16	134.6	104.16	1 : 15.35
1863	61	61¼	61⅛	134.5	104.06	1 : 15.37
1864	60⅛	62½	61⅛	134.5	104.06	1 : 15.37
1865	60¼	61⅛	61 1/16	133.8	103.52	1 : 15.44
1866	60⅜	62½	61⅛	133.9	103.63	1 : 15.43
1867	60⅜	61½	60 9/16	132.8	102.67	1 : 15.57
1868	60½	61½	60⅛	132.6	102.57	1 : 15.59
1869	60	61	60 7/16	132.5	102.47	1 : 15.60
1870	60½	61¼	60 9/16	132.8	102.67	1 : 15.57
1871	60 3/16	61	60⅛	132.6	102.57	1 : 15.57
1872	59½	61½	60 7/16	132.2	102.25	1 : 15.65
1873	57⅞	59 13/16	59⅛	129.8	100.46	1 : 15.92
1874	57½	59⅛	58 7/16	127.8	98.86	1 : 16.17
1875	55⅛	55⅜	56⅛	124.6	96.43	1 : 16.62
1876	46½	58½	52⅜	115.6	89.22	1 : 17.77
1877	53½	58½	54 13/16	120.1	92.88	1 : 17.22
1878	49½	55½	52 9/16	115.2	89.10	1 : 17.92
1879	48⅞	53¾	51⅛	112.3	86.85	1 : 18.39
1880	51⅛	52⅞	52⅛	114.5	88.55	1 : 18.06
1881	50⅛	52⅞	51 13/16	113.8	88.01	1 : 18.24
1882	50	52⅛	51⅛	113.6	87.86	1 : 18.27
1883	50	51 3/16	50 5/16	111.8	86.47	1 : 18.64
1884	49⅛	51⅛	50⅛	111.3	86.08	1 : 18.58
1885	46⅞	50	48¼	108.0	83.53	1 : 18.91

*In pence.

The following tables, taken from the famous work on Edelmetall-Produktion, by Dr. Sötbeer, cover a larger period of time and show a still greater fluctuation in the relative value of silver to gold:

Relative value of silver to gold, by periods, 1493–1885.*

Period.	Years.	No. of years.	Ratio.
108 years (1 : 11.5)	1493–1520	28	11.3 : 1
	1521–1544	24	11.2 : 1
	1545–1560	16	11.3 : 1
	1561–1580	20	11.7 : 1
	1581–1600	20	11.9 : 1
100 years (1 : 14.0)	1601–1620	20	13.0 : 1
	1621–1640	20	13.4 : 1
	1641–1660	20	13.8 : 1
	1661–1680	20	14.7 : 1
	1681–1700	20	15.0 : 1
100 years (1 : 15.0)	1701–1720	20	15.2 : 1
	1721–1740	20	15.1 : 1
	1741–1760	20	14.8 : 1
	1761–1780	20	14.8 : 1
	1781–1800	20	15.1 : 1
50 years (1 : 15.7)	1801–1810	10	15.6 : 1
	1811–1820	10	15.5 : 1
	1821–1830	10	15.8 : 1
	1831–1840	10	15.7 : 1
	1841–1850	10	15.8 : 1
29 years (1 : 15.85)	1851–1855	5	15.4 : 1
	1856–1860	5	15.3 : 1
	1861–1865	5	15.4 : 1
	1866–1870	5	15.6 : 1
	1871–1875	5	16.0 : 1
10 years (1 : 18.2)	1876–1880	5	17.9 : 1
	1881–1885	5	18.5 : 1

*Estimated by Dr. A. Soetbeers, in his Edelmetall-Produktur, Gotha, 1879.

Mr. Speaker, about the year 1876 a most remarkable revolution took place in the financial world; it was the sudden fall in the market value of silver. Many reasons have been assigned for it. Some attribute it to a world-wide desire for a gold standard of value; that prior to 1876 that desire could not be gratified because of the world's limited supply of gold. But that between the years 1850 and 1875 there was added to the supply of gold about $3,000,000,000. Silver was crowded out in Europe.

The vast supply of silver from the rich mines of Nevada, the demonetization of silver in Germany and the Scandinavian states, the suspension of its coinage by the Latin Union, comprising France, Belgium, Switzerland, Italy, and Greece, and the greatly diminished demand for silver in the East, especially in India, all aided in the movement against silver and made its dethronement complete. A vast quantity of silver was by this movement thrown upon the market when it was no longer desired for coinage. All the great commercial states of Europe had it for sale, and none wanted to buy.

From these potent influences at work all over the civilized world it will be manifest that the demonetization of $8,000,000 in 1873 was a very insignificant factor in the problem. It is not to the purpose to say these nations entered into a conspiracy to commit a great crime against silver; that most of these are despotic in their forms of government, and that we ought not to go to Germany or Bismarck for lessons in finance. This is all nice talk, but we can not help ourselves. We are one of the members in the great family of commercial nations. We can not isolate ourselves from the other nations; we can not ignore our national environments; and true statesmanship is the effort to bring a nation into harmony with its environments. We must have trade, commerce, and intercourse with other states. We must, to some extent, conform our financial laws to meet the changes which events have so recently cast upon us. When they with almost one voice decide against a double standard of value we will find it hard to maintain such a double standard single-handed and alone. They have decided to have no silver in their standard of value; we can not afford to say we will have it in ours. Such an attempt must result in our gold going to them and their silver coming to us.

In my judgment there is but one way to keep the two metals afloat on the same footing of debt-paying qualities; and that is by an agreement with the leading commercial nations of the world upon a given ratio at which the two metals shall be coined. But our coinage of standard silver dollars will not aid in bringing to pass such a desirable consummation. Shall we go on in our folly or madness till disaster overtakes us? Shall the Government go on purchasing silver bullion at the rate of $24,000,000 a year for the purpose of coining it into dollars which can not be coaxed into circulation, and which no one wants except for small change? Why are our overburdened taxpayers, for whom the gentleman from Texas [Mr. REAGAN] is so solicitous, compelled to pay $24,000,000 annually into the Treasury, to be coined into dollars worth only 79 cents? Simply to supply the silver bullion producer with a market for his production. It is said the Treasury has the silver in its vaults. Silver in the Government vaults is not silver in circulation. It might as well be hid in the earth or hoarded by the miser. But it is said its representative, the silver certificate, is in circulation. Why coin it into dollars? Why not deposit the bullion in the Treasury and issue a bullion certificate, based upon the market value of that metal? Why go to the expense of coining it? While I do not indorse to its full extent this latter plan, it is much better than the present system.

There is another feature of this question which I shall briefly allude to; that is the labor question. It has been said in this debate that the laboring man is benefited by the coinage of a short-weight dollar. Against this I place the statement of every writer on finance or political economy in this country of any note. Sumner, Walker, Perry, Wayland, and Laughlin all concur in the statement that the laboring man suffers more than any other class in the community from the fluctuations of value, or from an unsound currency. He lives, so to speak, from "hand to mouth;" he needs his wages daily or weekly for his support. He can not speculate on the rise and fall of gold or silver, for he has nothing to speculate with. He is always the first to suffer by a fall and the last to be benefited by a rise.

Webster fifty years ago declared that of all the devices the ingenuity of man had invented to cheat the laboring man an irredeemable paper currency had been most successful. Had he lived to see this day when we are forcing into circulation two standards of value, one of which is worth a dollar and the other 79 cents, he would repeat that denunciation.

It seems to me that our silver friends have gone mad. They pursue their suicidal course against the experience of the past and the teaching of the present. The sound policy of a wise and patriotic President is ignored. The recommendations of a most efficient and able Secretary of the Treasury, who has sacrificed his health to his sense of duty, are scorned and treated with contempt.

Had I not, sir, the welfare of my country at heart; had I no concern in the success of my party, I should be pleased to see the gentleman from Missouri [Mr. BLAND] have his way in this contention. For with the unlimited coinage of silver with a full legal-tender capacity the wide breach now existing between these two metals would increase; gold would disappear, silver would become the sole standard of value, inflation of prices would follow, and then a collapse which will cast nto the shade every preceding crisis which has cursed our land

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Rivers and Harbors.

SPEECH

OF

HON. NEWTON C. BLANCHARD,

OF LOUISIANA.

IN THE HOUSE OF REPRESENTATIVES,

Friday, April 15, 1886,

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. BLANCHARD said:

Mr. CHAIRMAN: The gentleman from Iowa [Mr. HEPBURN] and the gentleman from Maine [Mr. REED] in their speeches on this bill have indulged in the usual assertions, periodically heard on this floor, of the failure of the work of improvement on the Mississippi River as inaugurated and prosecuted by the river commission.

Great bodies of representative men of the Valley of the Mississippi in convention assembled last year at the cities of New Orleans, Saint Paul, and Kansas City, known as the western water ways conventions, expressed no doubts of the system of improvement adopted by the convention. On the contrary, they demanded the carrying forward of these works rapidly and vigorously, and called upon Congress to meet the expectations of the country by making large appropriations for the Mississippi and the Missouri.

The river convention, which met at New Orleans on April 7, 1885, composed of delegates from Arkansas, Dakota, Iowa, Indiana, Kentucky, Kansas, Illinois, Louisiana, Mississippi, Minnesota, Pennsylvania, Tennessee, and West Virginia, adopted among its series of resolutions the following:

That this convention reaffirms its confidence in the general plan of the river improvement adopted by Congress in the act of June 8, 1879, and points with satisfaction and approval to the results obtained.

This resolution voices the sentiment generally of the people in the valley—eye-witnesses of the work of improvement and participants in its benefits.

But, as giving a comprehensive idea of the work of the commission, what it has accomplished and what may be looked for, I will cause to be read the very admirable speech delivered by Hon. Robert S. Taylor, of Indiana, a member of the Mississippi River Commission, before the water ways convention held in New Orleans in April of last year.

ADDRESS OF JUDGE TAYLOR.

MR. CHAIRMAN AND GENTLEMEN OF THE CONVENTION: Four years ago I stood before a convention like this, assembled at the heart, as we are at the foot, of the Mississippi Valley, to consider the great subject of the improvement of the Western water ways. Our work then lay all before us; we meet to-day with four years of it behind us. It is the misfortune of a body like the Mississippi River Commission that while its plans and proceedings are freely discussed, as they should be, in the public press and elsewhere, it has itself no means of communication with the people except through its official reports to Congress. And of all means of keeping information from the public I know of none more effective than that. Gentlemen, there is one of our reports, clothed in the regulation black of a Government document. I have no doubt it looks dry at a hundred feet range, and, in fact, it is not a book which you could not lay down without finishing. Four years ago I thought I would contribute to the spread of intelligence by a generous distribution of these documents, and I sent a number around to my friends. Several of those people died within a year.

There is a part of the work which was by law intrusted to the commission, of which little public notice is taken, but of which I wish to speak a moment. It comprises the surveys, observations, and examinations necessary to the complete study of the physical facts pertaining to the life and flow of the river. For five years that work has been in progress, and as part of the results of it I am gratified to exhibit to you the first complete map of the Lower Mississippi, made from actual surveys, which you ever saw. Upon this map, 11 feet long as you see it, is presented, upon a scale of 5 miles to the inch, the entire river from Cairo to the Gulf, with the lands adjacent, and subject to overflow.

The surveys from which this map has been made have been most painstaking and thorough. And in these reports have been preserved the recorded data of those surveys with such minuteness and care that at any time in the future, be it a hundred years hence, an engineer can compare the river of that time with the river here outlined with such exactness as to disclose every rod of its shifting and every foot of its deepening or shoaling. And to this I may add, that in these uninviting reports are preserved all measurements, gaugings, and observations of every kind made by the commission. If that body shall misinterpret the laws of the river and err in its plans, here are the facts by which its blunders will be shown and its errors corrected.

But it is in the practical work of improvement, gentlemen, that you are most directly and deeply interested, and it is to a brief statement of what has been done and is proposed in that work that I invite your attention. The Mississippi River has three great faults: it tears down its own banks; then with the material taken from them it builds great bars across its own path; then having blocked up its channel with them, it overflows its banks and spreads over the adjacent country. It is a self-willed and headstrong stream, and must be managed as a woman manages her husband—never offering to contradict him, and letting him think all the while that he is doing as he pleases.

A reach of bad navigation presents ordinarily an abnormal width, numerous dividing channels and shifting bars. The first step in the improvement of such a reach is to lay out a track for the regulated channel through it—a task requiring the greatest skill and good judgment, as upon its wise execution the success

of all subsequent work may depend. The next step is to induce the river to flow in the path thus prepared for it, which is accomplished by the closure of all other channels, and the narrowing of the space on the bar where necessary, by deposits of earth secured by means of permeable dikes, as open as a fence, through which the water flows freely, but which check its velocity below them sufficiently to cause it to make deposits of sediment. These structures are called "contraction works." They are in progress at Plum Point and Lake Providence reaches, and in those places have been entirely successful in execution and result.

I do not believe that any greater obstacles can be found anywhere in the execution of this kind of work than those which have been met and overcome in Bullerton and Stack Island chutes, and on Baleshed and Elmot bars. In their effects they have answered every expectation of their construction. Three years ago an experienced river pilot said to a member of the commission, speaking of the work laid off at Lake Providence, "You've staked her out right where she ought to run; the thing is to make her go there." Well, "she" is going there now, and with a channel depth at low water double that which she had before. The like is true at Plum Point. The practicability of narrowing the channel by contraction works, and the certainty of increased depth from the scour thereby induced, have been demonstrated by actual success. And it is a success at which I have never ceased to marvel.

The deposits which fill these chutes and build banks on these bars are mere specks of earth. A teaspoon would hold thousands of them. As the water bearing them slackens its speed after passing the permeable dikes, they quietly drop to the bottom like microscopic flakes of snow. And yet, the space which has been filled with solid earth by this process in the reaches under improvement measures thousands of acres in area, and from a few inches to 50 feet and upward in depth, and well on to 300,000,000 cubic yards in contents. The works by which these deposits have been secured have been costly, more so than like works would be now, and yet I think it safe to say that the cost of the earth filling has been little, if any, above a cent a cubic yard.

If the river would stay in the improved channel thus prepared for it, the work of improvement would be completed. But this it will not do until some means are employed to check the violent caving of banks in and about the reaches to be improved. Indeed, it will require but a moment's attention to perceive that the caving of the banks is really the prime cause of all the ills that afflict the river. As it cuts into the earth on one side and deepens the curve of its channel in that bend, it necessarily alters the direction by which its current swings into the bend next below, and so that bend, in its turn, is cut and carved in a new outline to fit the new curve of the channel. By the same process these changes are transmitted to the second bend below, and so on, from bend to bend, as the undulations travel down the back of a snake. And, indeed, you have but to look at the map before you, and mark the crescent-shaped lakes—fragments of old river-bed—that line its course on either side, to see how literally true it is that the Mississippi has writhed like a serpent in its broad, black nest through all the centuries that have measured its life.

As the river washes away its bank on one side it commonly adds to the opposite shore by deposit; so that one bank advances as the other recedes. But where the caving is violent it is impossible for the river to build the convex side up to full bank height as rapidly as it cuts away the concave side; so that the net result of the process is an increase of width. And finally the coarser parts of the earth taken from the caving bank are carried only a short distance, and go to build up the bars below, and as the caving is more active their growth more rapid.

So that we have three distinct consequences—instability of channel location, increase of channel width, and an acceleration, at least, of bar formation, each directly traceable to the caving of the banks. But these are the very things that impair the channel. If we could be rid of them our task would be done. It is necessary, therefore, to employ some means to fix and hold the banks—not everywhere, but wherever the location and rapidity of the caving are such as to endanger the other works of improvement about or below them. The devices used for this purpose—mainly brush mattresses, I can not take time to describe. They constitute a distinct class of work known as "revetment" or "bank protection."

The third kind of work employed is levees. The place which these structures hold in the general work of improvement has been defined repeatedly in the reports of the commission and elsewhere. In brief it is this: The ordinary flood is the period of the river's greatest energy; confined within the banks of uniform grade that energy is made useful in scouring and deepening the channel; allowed to escape through varying and uneven depressions, not only is its energy lost, but there is caused an irregularity of flow in the channel which tends to produce increased deposit of sediment.

These are the measures of improvement which have been recommended and inaugurated by the commission. Opinions differ as to their relative value, but in my humble judgment each of the three has its own specific usefulness—the levees for general conservation, the contraction works for local concentration, and the revetment to secure the permanence and augment the results of the other two. As means to the grand end, these three are as inseparable as liberty and the Union. They are the orthodox trinity; the true Godhead of Mississippi River improvement; and no complete salvation is possible by any plan which leaves out any one of the three.

It is the presence of sediment that makes all the trouble in the Mississippi. It is the original sin of the river, the vice of its constitution. The laws which governs its suspension, transportation and deposit have been the subject of much study. Within a limited degree they may be ascertained by ordinary observation, but in their ultimate and exact nature and operation they have so far eluded investigation. It is obvious that at some places the water takes up large quantities of sediment which it throws down at others, and that these alternations are accompanied by changes of velocity. In this way it forms the pools and bars which are the most important characteristics of the river.

These pools are narrow, deep, and curved. The outer and concave bank is high and perpendicular; the inner and convex bank low and sloping. The bar is a hill of sand lying like a dam across the channel. Its crest may be fifty or a hundred feet above the bottom of the pool, and two or three times the breadth of the pool between banks. As the high-water current emerges from the bend above and swings into one of these pools it comes with a momentum and power beyond description. It hugs the concave bank as though it would fly away at a tangent. It seethes and boils like a cauldron. To the sediment which it brings from above it adds that ground from the bottom and sides of the channel and the masses of the undermined banks, all which it stirs and mixes and churns together, until the whole body of it is so dense and thick that you can not see into it an inch. Then, with all its vast load gathered up, every drop carrying its share, its sweeps out of the narrow pool and up the slanting bar with velocity and power undiminished until at the crest of the hill, where the banks broaden away, it finds room, and to spare, and pauses, as if for breath. In an instant its fingers relax, and the heavy grains of sand which it could grasp and carry only in the fury of its charge through the narrow defile, rain down on the bar.

A very intelligent gentleman once said to me: "You don't say that the water in the bottom of the pool runs up hill to get over the bar?" "Certainly." "Nonsense," said he; "the water in the pool below the level of the bars lies there dead, while the top flows over it. Any one can see that." And he manifestly thought he could see it. But if that were so how would you account for the existence of the pool at all? What dug it out? Here was last year a cotton field 40 feet above the water where is now a pool 40 feet deep at the same stage. Did the earth leave its bed and climb over the bar of its own volition?

The obvious truth is that the river at its flood goes through its pools with a burst of energy that nothing could withstand. The quantity of sediment which it will sweep out of its path at such a place depends entirely on what is put in. It is a mere question of supply.

It is impossible to say how much sediment the Mississippi River can carry. Actual measurements have shown as little as 1 part to 3,453 parts of water, and as much as 1 part to 610, at the same point in the river at different times. And the heavier of these is nothing to some mixtures that I have noticed, and which you may have noticed if you have seen a hydraulic grader at work. This machine is a huge force-pump mounted on a boat, and is used to grade caving banks to a flat slope before putting on the upper revetment. As the foreman of the hose gang turns the nozzle on a mass of earth before him and cuts it through and through with the piercing stream, it yields, crumbles, dissolves, and at last flows down the bank to the river. It is thick as mush; yet it flows. It is just such a mixture as that in the river, except that it contains more sediment and less water to the cubic inch. It wants only the further dilution which it soon receives to take its place in the grand sweep seaward of the main river, as orthodox Mississippi water—that is to say, water which is totally depraved by nature. And I give it to you as my opinion that the engineer who thinks he hears the voice of the Mississippi singing, in the words of the good old hymn—

"Feed me till I want no more,"

and undertakes, accordingly, to stuff it sick with sediment, will find that he has a larger job on hand than "mortal e'er essayed before."

I am led to these observations, gentlemen, by the fact that there is a theory of Mississippi River improvement extant to which they have legitimate reference, as you will see directly. It is obvious that in a general way the power of water to transport sediment depends on the velocity of its movement. On this manifest truth has been predicated a doctrine to the effect that every stream flowing through an erosible bed has a tendency to take up sediment to the extent of its carrying power, as limited by its velocity; and that having taken up that quantity, it will carry it without increase or diminution as long as its velocity remains unchanged.

That is to say, clear water in motion has a kind of hunger for sediment, which it seeks to appease by gnawing its banks until it absorbs a normal stomachful, when its craving ceases, and it flows on contentedly. And it has been suggested, as an application of this theory, that if the width of the Mississippi River were properly regulated there would result a uniform velocity in its current; and from that uniform velocity would result a uniform diffusion of sediment, equal in quantity to the carrying power of the stream; and that in that condition the river would cease to erode its banks, because the water flowing past them would have in it already all the sediment it could carry. Thus works for bank protection would become unnecessary.

Now, this is a lovely theory, but I am afraid it is a little too fine-spun to be of any practical value. It would be expected, I suppose, in the application of it, to load the river up at Cairo with all the sediment it could carry, and keep it loaded from there to the Gulf; and that, being thus loaded to its maximum, it would flow around its concave bends without taking up any more sediment, as a man, already full to the maximum of his perpendicular, flows past a saloon door without stopping for another drink. But while it is true, as I have said, that the power of the river to carry sediment depends, in a general sense, on its velocity, it is also true that other elements enter into the problem, so complicated and various that they have so far eluded analysis.

The most caseful observations and measurements which it has been possible to make have not only shown no constant relation between velocity and sediment, but have shown the most violent contradictions in that relation. Some of the most heavily loaded samples ever taken from the river when flowing at a low velocity; some of the lightest at a high velocity. From a table containing the mere sediment weight and velocity of all the observations ever made, a man with his eyes shut to all other facts would fail to find any law at all.

Nor have there been observed any actual differences in rapidities of caving at different times or places corresponding with differences in the quantity of sediment carried by the water. I never saw a caving bend where the river seemed to suffer the least embarrassment in its work from excess of sediment. But, of course, what I or any one else could see at such place would signify little, and it is more to the point to state, as I can, some observed facts which have a material bearing on the subject.

When the clear water of the Ohio and the muddy water of the Mississippi meet at Cairo, they do not mingle at once, but flow side by side for many miles, as though it required a little preliminary acquaintance and courtship to bring about a matrimonial blending of their lives and fortunes. The contrast between the east and west sides of the river is manifest to the eye for 20 miles below Cairo, and may be detected with a sediment trap at five times that distance. Now, if there is any practical significance in the doctrine of sediment hunger as characteristic of clear water in motion, it would seem that the Ohio, having come all the way from Pittsburgh without a single square meal would be ready by the time it reached Cairo, to eat the end right off the State of Kentucky.

But, gentlemen, actual measurements have shown that for 200 miles below Cairo the aggregate annual caving is greater on the west side of the river than on the east. For the first 50 miles the mean annual caving on the left is 3,000,000 square feet, and on the right 6,000,000; for 75 miles it is 5,000,000 on the east and 8,000,000 on the west; and for 200 miles it is 28,000,000 on the east and 35,000,000 on the west. It may be said truly that the river touches hard bluffs occasionally on the east and none on the west within these distances, and that fact will go some way to explain the greater caving on the west. But after making all due allowance for that circumstance, the fact remains that the clean water of the Ohio does not devour the bank which it washes any more, but rather less rapidly than the dirty water of the Mississippi eats up the bank on its side.

I do not argue from this that water carrying sediment will erode a bank more rapidly than if it was clear, although it is not certain that it will not, but it is an observation more nearly in the nature of an actual experiment than any other that I know of, and it fails, signally, to exhibit practical confirmation of the theory referred to. The fact is, that the Mississippi River, in handling its sediment, proceeds on uniform, well-defined, and established methods. It has been in the transportation business a good while, and has practiced for centuries some tricks of the trade which the railroads have just begun to learn. It classifies its freight with the nicest discrimination. It ships its fine sediment on a through bill, and its coarse sand by the local, just as the railroad companies ticket their fine-haired passengers—like yourselves, by the limited express, and ordinary humanity by the accommodation.

The finest sediment is never dropped until it reaches the foot of the river; the coarser is picked up and laid down a hundred times on the way. At flood stage the river scours the deep pool clean and piles the sand taken out of it on the bar below; at the succeeding low stage the quickened current over the top of the bar washes it into the pool below; the next flood piles it on the bar below; and so the sand goes down to the sea, like a tramp traveling by rail—put off the train every 10 miles, only to wait for the next one.

These habits of the river are part of its very life. To break them up you must make the river over again. You must bring it into such complete subjection that it shall neglect the laws of its original creation to observe the laws of your prescribing. And that you can not do. You may improve it to the highest point, but it will be a river still—not a canal; and no plan of improvement which fails to recognize this great fact is either wise or practicable.

It is of the essence of the plan proposed by the commission to attempt no violent conflict with the river, but to accomplish the improvement sought by means which will modify only slightly its natural course. To add a few feet to the existing bank by levees is no great change of condition—scarcely more than to

bring the lower and uneven parts to the grade of the highest parts. To contract the channel on a bad bar to a width no less than that found on bars above and below, where the navigation is good, is no violent change. And to revet a bend, so that the river shall flow around it without caving it away is but asking the river to do what it already does of its own volition in many bends above and below. The hope of improvement rests on the expectation that upon the modification of the conditions surrounding the river in its bad reaches, in imitation of those existing by nature in the good reaches, the river will alter its behavior accordingly, and afford as good navigation in the places where it is now obstructed as it affords now in its best reaches. In short, it is an attempt to reform the river by its own good example—an appeal from Cæsar drunk to Cæsar sober.

I have already consumed your time beyond all reasonable limits, but there is one other topic of such great concern to this city and the people of the lower river in particular that I must allude to it for a moment. I refer to the situation at the head of the Atchafalaya River. It may be said, in general terms, that the problem there presented is one of the greatest difficulty. It has been under consideration by the commission ever since its organization. We have visited the ground in person twice a year; have had repeated surveys made; and last fall examined by daylight the whole course of the Atchafalaya, from head to foot. We have considered carefully all possible plans for the solution of the difficulties presented, and have recommended to Congress the one which we believe to be the best.

The plan thus recommended contemplates the prevention of the further enlargement of the Atchafalaya, but not its entire closure; and for that it has been unfavorably criticised in this city. It is not surprising that you should regard with keen apprehension the bare possibility even of such changes at the head of the Atchafalaya as would divert the main volume of the Mississippi into that stream. And I suppose it is largely because the complete closure of the Atchafalaya would be, apparently, the surest guarantee against such a catastrophe, that that plan has found a good deal of favor in this city.

But, gentlemen, the Mississippi River Commission dare not shut up the Atchafalaya. I will try to tell you why as clearly as I can in a few words. Much more is known now than was known five years ago of the volume and course of Mississippi floods. Those of three years last past were the greatest on record in three consecutive years, and they were measured and studied more thoroughly than any that preceded them. I think we know with approximate exactness how much water came down the valley in each, and where it went. During the flood of 1882 the maximum discharge past the mouth of Red River was 2,200,000 cubic feet per second. Of this 1,100,000 cubic feet per second, or just one-half, flowed down the channel past New Orleans. The other half flowed down the Atchafalaya River and over the banks and through the breaks at the upper end of the Atchafalaya basin, and down through it to the Gulf. So that the complete closure of the Atchafalaya means, in a flood like that of 1882, doubling the discharge of the main river from Baton Rouge down.

A discharge of 1,100,000 feet gave you a stage of 15 feet at this city, which was more than your levees could stand with safety. What stage would you have if that discharge were multiplied by 2? If you ask me, I say frankly that I do not know. We know what the river did as its discharge increased from 200,000 at low water to 1,100,000 at extreme flood—just how much it rose for each additional 100,000 cubic feet. Its behavior in this respect was somewhat irregular, as is always the case; nevertheless an average of all observations taken discloses the law of its rise with approximate truthfulness. And if the law thus indicated should hold to a discharge of 2,200,000, you would have a flood surface 14 feet above that of 1882, and by the time you had built levees high enough to contain it you would have the Mississippi coming into New Orleans like an elevated railroad.

Do not understand me to say that it would reach that height. I can not think that it would. But at what point short of that it would stop, I do not know. It may be ascertained by an easy calculation where it ought to stop, if it had a proper respect for the recognized principles of hydraulics; but where it would stop no man knows. It is a subject upon which opinions may be formed, and upon which the opinions of some men may be valuable; but the man who tells you that he knows how high the river would rise at New Orleans with its present discharge doubled, is either deceiving himself or deceiving you. And in view of these facts—some of them disclosed, and all of them emphasized by recent observations and studies, and considering the enormous risk necessarily involved in an attempt to force the whole discharge of the valley down the main river, the commission can not recommend that plan.

At the same time it is but prudent that such steps should be taken as will prevent the possibility of a diversion of the Mississippi from its proper channel into the Atchafalaya. There is no immediate danger of such an event. The present tendency is toward the closure, rather than the enlargement, of the bed of Old River, which connects the Mississippi and the Atchafalaya. But if the levees on the Tensas front were closed, and all overflow excluded from that basin, so that the water which now finds its way to the Atchafalaya through the Bayous Tensas and Macon, and overland, were supplied via Old River, there would be real danger of disastrous changes at that place. And the consequences of such changes might be so serious that the utmost precautions ought to be taken against the mere possibility of them.

For this the first step recommended is the construction of such works in the head of the Atchafalaya as shall prevent its further enlargement; the second the preparation of the channel of the Mississippi below Red River, by bringing its levees to a suitable grade, for the conveyance of the volume which now escapes over the banks and through the crevasses at the head of the Atchafalaya basin; and finally the repair of the levees across the head of the basin, so as to exclude all water except that which enters the channel of the Atchafalaya at its head.

I beg leave, in conclusion, to add a word upon another subject—one a little foreign, perhaps, to the business of this convention, but which is eminently appropriate to this place and this audience, and of which I may never have another opportunity to speak to you. Some studies which I have been pursuing lately have brought to my attention impressively the infinite waste of the useful forces of nature which is going on in the valley of the Mississippi. You have here a river great enough, if its energies were economically expended, to carry the commerce of the continent to the sea, and the commerce of the sea to the heart of the continent. And yet we see it constantly wasting its powers in tearing down its own banks, piling obstructions in its own path, and wandering about its own valley, until after a great flood it comes back to its bed, like a strong man after a debauch, with scarcely strength to crawl over its own bars. You have millions of acres of land upon every one of which is accumulated the distilled richness of a score of acres lying far above, and on which fall copious rains and showers of sunshine with chemic power to transmute their mold to sugar and cotton, but which lie in wild and riotous waste.

The traveler who looks for the first time at your crowded wharves is amazed at the acres of bales and barrels that cover them; but that which he sees is only a sample of what you might do. You raise 250,000,000 pounds of sugar; you could raise 2,000,000,000 pounds. You raise from half to three-quarters of a million bales of cotton; you could raise four or five million bales. You raise forty or fifty million pounds of rice; you could raise a billion pounds. To make all these results as practicable and sure as the corn crop of Illinois there is one, and but one, prerequisite—the Mississippi River must be kept within its channel.

I know the heroic struggle which you have maintained against its floods for half a century, and I know that it is too great for your unaided resources. It is not—it ought not to be considered—your affair alone. It concerns the whole nation that its aggregate productions, fitly exemplified in the unrivaled exposition in the midst of which we sit, shall embrace the widest range possible of things useful to supply the wants of its citizens. And I believe it to be no less the interest than the duty of the United States to make common cause with you in the great work of reclaiming the alluvial valley.

But, gentlemen, it rests with you who live in it to inaugurate the measures that shall inaugurate the work. You must devise, propose, and justify the plan. No one else will do it for you. You must put into the hands and before the eyes of the American people the facts—of which they are, in the main, ignorant today—of the nature, extent, feasibility, and value of the work. You must by patient, persistent, wise, and united effort—let me emphasize that word—*united* effort, appeal to the intelligence, the patriotism, the justice of the whole people. Your appeal may go unheeded for a day, but I firmly believe that it wants but the time and the means to inform the public truly and fully of the necessity, the utility, the economy, and the national profit of the work to bring to its co-operative aid the strong arm of the Government of the United States. You have held the river at bay through many a hard fight, unaided and alone; re-enforced by the whole contingent of the Union, fifty million strong, your victory will be easy and complete; the Mississippi will submit to its rightful sovereign, man; and the land of the valley of waste will be transformed into the garden of the Republic.

Flint, Oconee, and Ocmulgee Rivers.

SPEECH

OF

HON. CHARLES F. CRISP.

OF GEORGIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 15, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes—

Mr. CRISP said:

Mr. CHAIRMAN: I desire to say a few words on the amendments I have proposed to this bill. I shall ask the indulgence of the committee but a short time, and I would not say anything but that I am fully impressed with the importance, the national importance, of the enterprises that I seek to aid, and I think I can convince this committee, if it will only listen to me, of that fact. I do not wish, sir, to be understood as reflecting upon or criticising the action of the Committee on Rivers and Harbors. On the contrary, I feel indebted to them for the increase they have recommended in the appropriations for the rivers to which I specially refer, the Flint, the Ocmulgee, and the Oconee. The recommendations of the committee as to the two latter rivers are much more than double what they have been in the recent past; but still, sir, in my opinion the proposed appropriations are not large enough. Let me call attention to each of these rivers in its turn, the character of country through which they pass, and the necessity for a speedy and complete opening of all of them in order that the vast amount of supplies of all kinds that are now locked up for want of transportation may be opened to the commerce of the world. The Flint River rises in western Georgia, near the city of Atlanta. It flows past Montezuma, Drayton, Albany, Newton, and other smaller places to Chattahoochee, Fla., where it unites with the Chattahoochee to form the Apalachicola River.

This portion of Georgia, Mr. Chairman, is not excelled in fertility or in the industry and intelligence of its people in any part of that great State, and the opening of this river to commerce would not only be an inestimable blessing to the people of the counties through which it passes, but it would open to the world, at much cheaper rates, the large amount of cotton and other products which now for want of cheap transportation find no profitable market. I am specially interested in it because I immediately represent the people living upon that portion of this river between Albany and Montezuma. The present project is to give them high-water navigation. The distance between these two points is about 100 miles.

Montezuma, in the county of Macon, is situated on a railroad, and is the head of navigation now. It is a thriving, prosperous little city; its inhabitants are among the most substantial, intelligent, and enterprising of our State. With river competition, with the lower rates of freight that would follow the establishment of a regular line of boats on the river, industries that now languish would flourish, and general prosperity would follow. There is now upon the river a boat built by the enterprising citizens of this little city, and the freight carried by it indicates clearly the great advantage that would result from placing the river in a condition for navigation at all seasons of the year and giving an outlet to the sea.

This river flows between the counties of Dooly and Sumter, both large and fertile. The finest cotton-producing lands in the State are to be found here, and in Lee County, just below. Lee County and Sumter County are pierced by railroads, and thus have some mode of transportation to the markets of the world. The county of Dooly, containing an enterprising, industrious, and intelligent people, embracing some of the best cotton-producing lands in the State or in the South, is absolutely without transportation facilities. All the productions of this fertile county must be hauled weary miles to reach a market, and

then must pay such rates of freight as monopolies charge, thus increasing the cost to the producer to such an extent that production has ceased to be profitable. The opening of this river would afford to this people an easy and cheap mode of transportation, and thus increase not only the value of what they produce, but also the value of all property they now own. This is true of Sumter; it is true of Lee; it is true of all the counties along the line of the river.

There has been expended upon this river since 1873 $84,373.76, and this has resulted in obtaining a completed high-water channel from its mouth up to Albany; a completed low-water channel of the projected width and depth from its mouth up to Ferguson's shoals, a distance of 88 miles, and a partially completed high-water channel over that portion of the river between Albany and Montezuma. The estimated amount required for the completion of the improvement is $110,000, and the amount asked for this year by the engineer in charge is $20,000. The committee has recommended that sum; but, Mr. Chairman, last year the engineer estimated that $75,000 could be profitably expended. If that was true, and no one disputes it, why is so little required this year? The unexpended balance of last year's appropriation is only $12,626.24; added to the $20,000 proposed to be appropriated, it makes only $32,626.24. I ask, therefore, that the appropriation be increased from $20,000 to $40,000, so that we may have $52,626.24 this year, and thus enable us to have a more speedy opening of the river.

In November last, Mr. Chairman, I had the pleasure of attending at the city of Darien, in the State of Georgia, a convention of the counties interested in the improvement of the Oconee, the Ocmulgee, and the Altamaha Rivers in that State. That convention was largely attended, and the delegates would compare most favorably with any body of men I ever saw assembled. They were in earnest; they felt the need of national aid in developing their great water ways, and they left their homes and went many miles, some of them, for the purpose of having united action that might aid in the accomplishment of their object. A committee appointed by that convention prepared a memorial for submission to this body. I had the honor of presenting it here some months since. I have furnished each member of the committee with a copy, and also some other members of the House. But, sir, perhaps all have not seen it, and so clearly and succinctly does it set forth the importance of and necessity for the improvement of these great rivers that I here and now present it in full. It is as follows:

The undersigned, a memorial committee appointed by a convention assembled at Darien, Ga., on November 4, 1885, for and in behalf of the citizens of twenty-one counties in the State of Georgia, bordering on the Altamaha River and its confluents and tributaries, and the port of Darien, respectfully represent:

That the people in the counties of Appling, Baldwin, Bibb, Coffee, Dodge, Emanuel, Glynn, Houston, Irwin, Johnson, Laurens, Liberty, McIntosh (including the city of Darien), Montgomery, Pulaski, Tattnall, Telfair, Twiggs, Wayne, Wilcox, and Wilkinson, are greatly interested in the improvement of the Altamaha and its tributaries, and anxiously look to the General Government for just and equitable appropriations for its speedy accomplishment.

The Great Altamaha, with its confluents, the Ocmulgee and the Oconee, and its tributary, the Ohoopee, is the largest and most important water highway in the State of Georgia. The Ocmulgee and the Oconee, rising at the foot of the Blue Ridge Mountains, flow for several hundred miles through the heart of the State, and by their confluence form the Altamaha, which, enforced by its tributary, the Ohoopee, continues its course for 200 miles until it debouches into the Atlantic 12 miles below the city of Darien. At a good stage of water the Ocmulgee is navigable for 250 miles, from the junction to the city of Macon; the Oconee for 225 miles, from the same point to the city of Milledgeville, and the Atamaha for 200 miles, from the junction to the ocean—making altogether 675 miles of water way through the great cotton, timber, and rice belt of the State The Altamaha, at a good stage of water, averages 500 feet in width, with a mean depth of 8 feet. This average is reduced at a low stage of water to 300 feet in width and 4 feet in depth.

Your memorialists would further state that the commerce of Darien is of such magnitude as to make it a port of national importance. The quantity of lumber shipped to various ports in Europe, South America, and the West Indies, as well as our own ports, will not fall short of 100,000,000 feet annually. Of rice, 200,000 bushels are annually shipped, besides considerable quantities of wool, naval stores, cotton, and other farm products. The tonnage, foreign and domestic, employed in this carrying trade, will average annually 100,000 tons.

From the Oconee and Ocmulgee at Lumber City, where the East Tennessee, Virginia and Georgia Railroad crosses the latter river, the shipment of cotton, naval stores, and wool amounted last year to 20,000 tons, besides large amounts shipped from Hawkinsville on the Ocmulgee and Dublin on the Oconee. At Doctortown also, where the Savannah, Florida and Western Railroad crosses the Altamaha, heavy shipments of naval stores, cotton, and farm products are made, which are brought down the river by steamboats. For this carrying trade nine river steamboats are employed.

The manufacture of naval stores from the smaller timber is an important business, which is fast growing to immense proportions. At the beginning of the year fifty-eight turpentine distilleries were located upon the Altamaha and its tributaries. All the productions of these distilleries, as well as the supplies required in return, must be shipped by the river.

The climate of the valley of the Altamaha is salubrious, the soil fertile, and the farm products are varied and abundant. Cotton, corn, rice, root crops, small grain, and orchard fruits grow here in perfection. The great want is better transportation.

Carefully prepared estimates show that on the Altamaha $75,000,000 worth of naval stores and timber are in easy reach of the river. To this may be added $60,000,000 for the Ocmulgee and $50,000,000 for the Oconee, besides a large amount for the Ohoopee. On this latter stream one of the finest water-powers in the country is located.

Without the aid of the General Government in removing these obstructions and otherwise improving this water way these great resources can not be developed.

Wherefore your memorialists pray that surveys of the Altamaha and its tributaries, the Ocmulgee, the Oconee, and the Ohoopee, and the outlet to the sea may be ordered, and such appropriations granted as will, when judiciously expended, render this great water way navigable at all seasons of the year.

Your memorialists ask this in behalf of a territory comprising 13,000 square miles ,occupied by 200,000 people who are, in a great measure, dependent for transportation upon the great Altamaha.

They ask it in behalf of a great natural highway and an important seaport which have hitherto received but little aid from the General Government.

And your memorialists will ever pray, &c.

S. D. BRADWELL,
And others,
Of Liberty County.

This leaves very little to be said, and I shall occupy but a short time longer. So important are these rivers to the people of Georgia that during the first half of this century the State appropriated $60,000 for the improvement of the Ocmulgee and $35,000 for the improvement of the Oconee. The Ocmulgee flows past Macon, Hawkinsville, and other smaller places, and unites with the Oconee River a few miles below Lumber City to form the Altamaha. The Oconee flows past Milledgeville, the old capital of the State, Dublin, the county seat of Laurens County, and other smaller places, and unites with the Ocmulgee as I have said.

You will see in the memorial I have read the counties through which these rivers flow. With many of them I am well acquainted. Nine of them I have the honor to represent. Most of them are in the heart of the great timber region of Georgia. The finest pine in the world is here. The lands when cleared produce abundant crops. The people are well informed, industrious, and thrifty, and need only some mode of cheap transportation to be among the most prosperous in the State. If these rivers are opened, as they should be, they will have it. The project for the improvement of the Ocmulgee contemplates the removal of obstructions from the channel and cutting through rock shoals, so as to obtain a navigable channel 60 feet wide and 4 feet deep at low water from Macon to the Oconee. Assistant Engineer Locke says:

The work done up to the present time under the adopted plan of improvement has resulted in securing navigation of the river at a stage from 2 to 3 feet lower than was practicable before the commencement of the improvement, enabling boats to run during seasons in which they were formerly tied up.

During the past fiscal year the snag-boat belonging to this improvement was thoroughly repaired, but was kept at work until the 15th of June on the Oconee River in connection with the snag-boat for that river. The appropriation for each of these rivers being so small, it was thought best to concentrate the working plant of both rivers upon each in succession in order to reduce the cost of engineering, superintendence, and contingencies. On June 15 operations were commenced at Big Eddy, near Jacksonville, securing at that point a channel 80 feet wide by 10 feet deep at low water, where formerly existed one of the most troublesome places to navigation on this portion of the river. The Oconee boat will be sent to join the Ocmulgee boat in the latter part of July, so that the two may be worked together during the low-water season on the Ocmulgee River, as was done last season on the Oconee.

The balance of appropriation remaining on hand, together with appropriation asked for, can be profitably expended in continuing the work of improving the river channel.

The amount required to complete the improvement is $30,000; the amount that can be profitably expended this year is $15,000. In the last bill the House appropriated $3,000 only for this river; this year the committee recommend $7,500, more than twice as much as before. I thank them for this; I am glad to have been able to induce them to give me this increase, but, Mr. Chairman, I shall ask this House to increase it still further and give this river the full amount of the estimate, $15,000. I think it only right that this should be done. I give the commercial statistics of the river for the past fiscal year:

The following-named steamboats have been employed in the navigation of this river during the past fiscal year:

	Tons.
Ida	296
Colville	83
Mary Jeter	60
Wadley	190
Mary Cooper	150
North State	180
Cumberland	275

These boats have carried about 6,800 barrels turpentine, 28,000 barrels rosin, and about 3,200 tons of cotton, provisions, &c. In addition to this, about 30,000,000 feet of lumber (B. M.) has been rafted down the river.

The plan of improvement of the Oconee River contemplates the removal of obstructions from the channel and blasting through rock reefs where necessary in order to secure a depth of 3 feet at low water from Milledgeville to the Ocmulgee River. The work done up to this time has resulted in enabling steamboats to navigate the river at a stage of water 4 feet lower than that at which navigation was practicable before the improvement was commenced. During the past fiscal year the work done consisted in cutting a channel through the rock reefs at Cheney's Shoal, near the river's mouth, and removing obstructions between that point and a point 15 miles above Dublin. Engineer Locke says:

The limited appropriation available was supplemented by a donation from the Oconee River Steamboat Company of $300, which enabled the work to be recommenced and prosecuted for a short time this summer; otherwise the cost of the very extensive repairs required by the snag-boat would have prevented any work this season. This boat is old and rapidly becoming useless, and unless liberal appropriations are made at once the working plant for this river will have been worn out without peforming adequate service, because of inadequate appropriations heretofore.

The removal of obstructions from McLeod's Cut-down, a distance of 28 miles, has given about 2 feet greater depth of channel where these obstructions existed.

The last river bill carried an appropriation of $3,000 for this river; the present bill appropriates $9,000. I thank the committee for this increase, but ask the House to still further increase it to $15,000. It

will only require $30,000 to complete the work; and if you give us $15,000 now, in two years it can be finished.

I give the commercial statistics of this river for the past fiscal year:

The following steamboats are employed on the river:

	Tons.
Laurens	180
Wadley	190
Ida	250
Mary Cooper	150
North State	180

These boats have carried during the past year about 4,400 barrels turpentine, 17,000 barrels resin, and about 6,000 tons cotton, merchandise, provisions, &c., besides which about 20,000,000 feet of lumber have been rafted down the river.

Now, Mr. Chairman, I think I have said enough to show the importance of these river improvements; enough to show that the general commerce of the country will be largely benefited by their being opened. The large quantities of turpentine and rosin and cotton and lumber that now use them for an outlet to the sea are insignificant compared with the amounts that will be shipped when these rivers are open to safe navigation. I feel a deep personal interest in this subject. My great object as a member of this House is to represent the wants and the wishes of the people whose commission I bear. They are in earnest about this matter, and as their representative I feel it my duty, in season and out of season, to strive for the accomplishment of that which will benefit them so much and at the same time advance the interests of commerce generally.

Mr. Chairman, while on this subject permit me to suggest for the consideration of the House the propriety of changing the method of conducting river improvements. I believe, sir, that persons living along the water courses to be improved, persons familiar with the obstructions, the needs, and the wants of the rivers—persons who know the dangers and difficulties of their navigation—should have charge of their improvement. Now, sir, living along these rivers are men perfectly familiar with all these things, men of character and honesty and capacity, men who have a personal interest in the success of the project, who could be employed for a reasonable sum to take charge of, manage, and control the matter, and, with due respect for those now in charge, I believe such a system would produce better results than the present plan. I hope the committee will look with favor upon this suggestion and give it a trial.

Now, sir, I leave the subject. I know, when so many rivers and harbors are to be improved, we can not appropriate all to each that they require; but I present these as exceptional cases and ask an increase. I am not confident of getting it, still I shall try, and keep trying, while I remain a member of this House, believing that in the end, if not now, success will crown my efforts.

Silver Coinage.

SPEECH

OF

HON. CHARLES N. BRUMM,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 7, 1886.

The House having under consideration the bill (H. R. 5690) for the free coinage of silver, and for other purposes—

Mr. BRUMM said:

Mr. SPEAKER: Absolute barter and barbarism are inseparable twins. The birth of one creates the other, and both exist by feeding upon each other. Just in the proportion that you eliminate the one you destroy the other. Take from barbarism that which it feeds upon and it dies. The farther you get away from barter the nearer you approach civilization. Therefore, barter and civilization are as antagonistic as freedom and slavery.

Barter, or the interchange of value for value, is the unfathomable quagmire that has impeded the progress of ages, while purchase, or the interchange of value by a conventional representative of value, is the firm, progressive highway of commerce over which the masses must pass to a higher, a grander, a nobler civilization. Sir, just in proportion as you weigh down a medium of exchange with the value of the article or commodity out of which that medium is made, you impede the progress of exchange and you enter the quagmire of value for value, or barter. Therefore I insist that before you can elevate the masses to that high civilization which is so desirable, you must facilitate the interchange of commodities by a representative or measure of value, and not clog it by barter. That is, money should be a *medium* of exchange, not an *article* of exchange.

But the interested financier or the superficial statesman says: "Oh, this is fiat money;" and then he exposes his ignorance by crying aloud that it is the nonsensical theory of dreamers which never has been and never can be reduced to practice. Yet I challenge you to show me any money that is not fiat money; for if it is not fiat money it is only an evidence of indebtedness and carries the obligation of redemption by its author; while every dollar that is created by the sovereign power of a government, issued or paid out for value, and made a legal tender, not redeemable, but receivable for taxes or other dues to the government that issued it, is a fiat dollar, and that regardless of the nature or value of the commodity out of which it is made. Therefore our gold dollar is a fiat dollar. So is our silver dollar a fiat dollar, for, as money, both have the same attributes and will perform exactly the same functions; and so is our copper cent the one hundredth part of a fiat dollar, because it has, to a limited extent, the same attribute and function as a gold dollar; yet there is no parity of value in the articles out of which they are respectively made. So you see the fiat dollar is, of itself, not such a terrible thing after all.

Therefore if, in this discussion, you will eliminate the value or barter element from the dollar and treat that, separate and distinct, as a commodity, and then treat the money element, separate and distinct, as a medium of exchange, you will simplify this question very much; for the great error of the monometallist is in the confusion of these two elements or attributes of the commodity dollar.

I believe that money should have no commodity or barter value *per se*, but should be purely a representative of all value, based, through the Government right of taxation, on all commodities within its jurisdiction, and limited in volume only by the needs of commerce; and that it should not be confined in volume to any one commodity or to several commodities. Neither should it in the slightest degree be affected by the value of any commodity, and more especially when that commodity, like gold, is so rigid and limited in its supply as to put it absolutely within the power of a few gold bouncers to juggle with its value by manipulating its volume. And as I know that this Government will not, and I frankly confess can not, at once throw off this yoke of barbarism, but must for a while longer foster the dishonest barter dollar and thus keep commerce bouncing around on stilts, I will do all in my power to give her at least two pegs to travel on, and not force her to hop around and try to balance herself on one. [Laughter and applause.] Therefore I am for the present in favor of unlimited coinage of silver and gold. This will double its base and give at least two bearings for the superstructure to rest upon, and make it less susceptible to manipulation than if it were pivoted on a single basis. "But," says the gold bouncer, "you must have a standard of value, and therefore you must limit yourself to one thing, and as gold is the money of the world, that one thing or standard is or must be gold, because," he says, "it is the least variable, and always represents the fixed value of the labor involved in its production."

This, sir, is the premise upon which the whole monometal argument rests; and as this involves five separate, distinct, and palpable errors, all conclusions drawn from them must also be errors. First, it assumes that there is and must be a money of the world; second, that that money is gold; third, that there is and must be a standard of value; fourth, that that standard must have value *per se*, and therefore must be a specific commodity by which the value of all other commodities is gauged and regulated; fifth, that as gold is the least variable and always represents a fixed amount of value or labor in its production, it is and must be our standard. I shall consider these ridiculous fallacies in the order in which they are named.

First, that there is and must be a money of the world. Sir, there is not and never can be a money of the world until you establish a world government to create it. As money is a creature of law it must be the creature of some government that makes the law, and therefore it has powers as money only within the jurisdiction of the government that makes it. Hence money is never used in commerce between nations. You settle your international balances with bullion; you settle them with the commodity value or commodity element of bullion, and not with money; even if coin is used it is not counted, but is put in the scales and weighed and its alloy deducted in calculating its value as bullion.

Second, "the money of the word is gold." Since it is true, as I have shown, that there is no money of the world, this is already answered in the international or world sense; but even if it is contended that in a national sense it is the money of the world, this is also false, for gold of itself is never money, although money is often made of gold; yet there is not one nation in the world that makes all its money out of gold, while every nation makes some, and a majority of nations make all their money out of silver.

Third, that there is and must be a standard of value and that standard must be gold. Sir, no commodity can be a standard of value. All values depend upon usefulness. Therefore, any article or franchise that is just as useful or will perform the same function or answer the same purpose as any other article or franchise will be just as valuable, no matter what material either is made of. Although the cost of a thing generally represents the labor required to produce it, yet the intrinsic value of a thing still depends upon its usefulness, while the price of it depends upon supply and demand and is usually called the market value.

Therefore as the cost, the intrinsic value, and market value of all

commodities depend upon all the local as well as the general conditions, circumstances, and changes incident thereto, there can be no fixed value or standard nor relative value for any commodity in any locality for any length of time; for there is no commodity that maintains the same relative, intrinsic or market value at all times in the same place, nor at the same time in different places, no matter what material it may be made of or what its nature, whether it be diamonds or a right of way, a physician's prescription or a dignity, a druggist's emetic or gold, silver, or paper, iron or a railway pass, a serpent's tooth or a tax receipt, lawyer's advice or copper, cockle-shells or a priest's absolution, fiat paper money or a right of piscary. All, all are as unsettled and shifting as the winds.

If, then, you can not fix the cost, intrinsic value, relative value, or market value of *any* commodity for *any* time in *any* locality, sir, how infinitely do the possibilities multiply when you attempt to create even an approximate standard for *all* commodities at *all* times in *all* localities of this heterogeneous world.

But even if an approximate standard could be established, the most unfit article for that standard, next to diamonds, would be gold, for if there is any one article which more than any other article fails to represent the amount of labor in its production by its value it is gold; because it is an original element that cannot be manufactured, grown, or produced by any combination of elements or manipulation of man. It is a hidden element, most uncertain in quantity, locality, and conditions. It is a very limited element, wherefore its supply can not be accommodated to the demand, thus making its value depend almost entirely on the manipulation of its owners.

It is not an article of prime necessity, nor a substitute therefor, being neither food nor medicine for the mind or body; nor does it clothe, shelter, convey, or preserve man, beast, or any commodity, and outside of the gratification of the savage passion for personal decoration, it adds very little to the comfort of man; and were it not for the great value and power given to it by making money out of it by conventional laws, it would play but a very insignificant part in the affairs of men. Yet you tell us that you can not add value to anything by law, no matter how useful the law may make it, but that all values depend upon the amount of labor it takes to produce them, no matter whether the value be intrinsic, relative, or market. If that be so, then God help the laborer; for I think it is time that he should get at least a visible share of the value of his product. That is, you mean to say, that if you demonetize gold by law all over the world, and thus destroy its usefulness, it would still retain its value because it represents a certain or fixed average amount of labor in its production.

Upon the same principle, I suppose, you would hold that to remonetize silver by law, and thus increase its usefulness, you would not enhance the value of silver, because its value is fixed also by the amount of labor represented in its production.

But, again, how can gold alone represent the cost of its production when it is produced almost always with silver or copper, or with both, or with some still baser metal, in combination with it? By what rule of mathematics do you calculate the mammon value of the shattered limbs and the health and lives lost in its production? And if you had a rule, how would you apply it to each specific case or degree? Where have you the statistics of the number engaged in gold mining, with the hours of labor and the energy expended by the eager searcher for gold? And how will you ascertain the amount expended in the production of gold and how much should be charged to its companions, silver and other metals?

Moreover, gold under the commodity or barter-money system is of all things the most variable and uncertain, because it is not only subject to all the incidents of fluctuation that any other commodity is, but by reason of its limited supply it is absolutely under the control of the gold juggler on the one hand, while on the other hand its monetary uses subject it to all the whims ignorance, avarice, and corruption of every national law-making power in existence. Therefore in proportion as you keep it isolated and allow it to monopolize these attributes you in that proportion intensify and magnify these functions, until by its unlimited power it becomes the hellish dynamite of tyranny and oppression in the hands of the few all over the world. Whereas, if you separate these functions and impart to silver an equal share of this power, you will at one blow strip gold of more than half of its power for evil, and to that extent at least, by easing up the interchange of commodities, steadying values, and liberating commerce, bring relief and blessings to all humanity. [Applause.] For we must not forget that the price or value of a commodity in an untrammeled state of commerce will fluctuate on its own basis—that is to say, will be affected by causes wholly incident to itself and its component parts, modified by effects upon its substitutes—and will not materially affect other commodities. But where all commodities are transferred by a medium of exchange, all such commodities are subject to the additional fluctuations incident to such medium. Therefore, if that medium is gold alone, which is so absolutely within the power of the few, then these few will control all money and thereby control everything that money will buy; that is to say, by cornering this very small basis or commodity medium, aided by the credit based thereon, you simply play foot-ball with all values, and by bouncing them *ad libitum* you at times impart a sudden and often violent impetus to production by enlarging its basis and inflating its credit. So that when the commercial fruit is ripening for the purpose of gathering in the harvest yourself you lower its value and thus lower its consumption, and consequently by impeding the interchange of commodities you find every producer with too much of his own commodity on hand and not enough of anybody else's. Then the subsidized press, the fossil statesman, and the superficial pulpit orator, like Beecher and Cook, will join the money-bouncer, and pointing to the undistributed products will say, "Behold the dire result of overproduction." [Applause.]

Sir, it is for this reason that these bouncers adhere so tenaciously to this false doctrine of standard of value, for they know full well no commodity can be a standard, as a standard means something fixed, stable, and unalterable, as a yard, quart, pound, &c., and that is just what they do not want, for like all speculators and gamblers they live on uncertainties that may be fluctuated, manipulated, and contaminated.

Would to God that under our present system gold was a standard of value. Then, sir, parties to this controversy would be reversed; we would sustain it, while its present advocates would be its worst enemies and would demand its immediate demonetization. Sir, it would then no longer answer their purpose. They want no stability, no standard, no solid, honest basis, for just in proportion as the basis is widened and made firm you prevent manipulation and secure a more equal distribution of the products of labor, while just as you contract the basis to gold alone, it becomes the artful dodger of commerce that enriches the few and impoverishes the masses.

Although no article or commodity can ever be a standard of value, yet there may be an approximate parity or ratio of values maintained between two or more commodities that serve similar purposes or can be substituted for each other; *e. g.*, anthracite and bituminous coal. Increase the demand for anthracite by making it more useful you soon raise its price, and as its price advances bituminous will be substituted; this substitution of bituminous increases its usefulness and raises its value, while it decreases the usefulness of anthracite, and relatively decreases its value until the parity is again reached, and is in this way very approximately maintained. So it is with wheat and rye, gold and silver, oats and corn, the different kinds of meat, the different kinds of wood, &c.

But if Congress had jurisdiction over commodities as she has over money, and would allow an unlimited or free use of one commodity and would restrict the use of any or all substitutes, she would soon destroy the parity or ratio, especially if the favored commodity was very limited in its supply as gold is.

As the paramount object in commodity money is the maintenance of parity of value in the various commodities out of which the coins are made, the present discrepancy in the commodity value of our gold and silver dollar is the strongest argument (from monometallists' standpoint) against the limitation on our silver coinage—for unlimited coinage of silver would increase its value, while it would decrease the value of gold and thus bring both metals to the money or coinage ratio, namely, 16 to 1; because no metal can ever be above the coinage value and stay in circulation.

By the unlimited coinage of silver the bullion becomes more useful, and therefore more valuable, while gold is to that extent displaced, it becomes less useful and therefore less valuable, thus bringing them closer together until their parity is reached by an easy process that will do injustice to none, but will add unbounded blessings to millions. But, says the goldite, this country can not do this alone; we must wait until we get England and Germany to join us. Sir, I deny this, for England never will join us until we force her to, as it is her interest to widen the breach between the commodity values of gold and silver, as I shall show hereafter. Moreover, so long as we follow the British system we will be subject to their financial and commercial control, whereas if we adopt a system of our own we will be masters of the situation.

Therefore let us adopt unlimited coinage of gold and silver. We can hold the balance of power between the conflicting monometallic nations of the world, and maintain the parity of value between the precious metals, for we produce over half of all the precious metals; therefore the civilized world is largely dependent on us not only for the metal supply but for food, cotton, oils, and many other products, while we are absolutely independent of them.

Sir, by a proper protective and monetary system we could be as isolated commercially and financially as we are geographically. If gentlemen would have a clearer appreciation of the greatness of our country a better knowledge of its unbounded resources and infinite possibilities, with a proper realization of the eminently independent position this nation could occupy; if they would only have the courage and self-reliance to stand with us and declare ourselves financially and commercially independent, as our fathers declared themselves politically and socially independent, we could, and ought to have, the commercial world under our control more absolutely than England has ever held it. We could then utilize our powers for the honor and greatness of our Republic and the elevation of all mankind.

But I said I would show that England would never join us until we force her, and why? Because she with Germany are the two great creditor nations of the world, while we are a great debtor nation; hence it

is to their interest to shrink the basis and contract the currency by monometallism, so that we and all other debtors must pay them in a commodity coin upon which there is a premium and thus increase the value or purhcasing power of their assets at least twofold.

But while England seems to have suspended the coinage of silver, she really coins silver every year; in fact the charter of the Bank of England calls for a certain amount of silver reserve in her vaults, yet practically she is a monometallic country, as in England proper, gold is the standard of payment while in the rest of the British Empire silver is standard of payment, *i. e.*, all payments to her must be in the higher-priced metal, gold, while most all payments by her are in the lower-priced metal, or silver.

By the present disparagement in the ratio and market value of gold and silver England robs from the treasury of India £17,000,000 annually on the single item "loss on exchange," and this is only the bonus on the taxes she exacts from her India slaves. Imagine, then, is you can, the unmerciful robbery she commits on the productive indufstries of India by the London bills drawn on Bombay, Calcutta, and Madras for the difference in the metal value of the India silver rupee and the English gold pound for all of their interexchanged products. By this process she deprives us of the foreign market for our wheat and low grade of cotton. Henry Carey Baird says:

The real and the most immediate "silver danger" is that which impends over the American farmer, and grows out of the competition of the wheat of India, now looming up in the near future. Stop the coinage of the silver dollar, and the price of silver immediately and rapidly falls, and with it the rupee of India in sterling exchange. The normal price of the rupee in sterling is 1*s.* 10½*d.*, or 45 cents; but the average per rupee produced by the government bills drawn in London on India for four months, ending August 15, was but 1*s.* 6½*d.*, or 38 cents, indicating a discount of 15 per cent. This is just 15 per cent. premium on the export of Indian wheat, and precisely this same disadvantage to the American farmer. Let those who consider themselves as not "hopelessly ignorant of ordinary economic laws" drive the price of silver down still further, under the impression that they are damaging no one but "those who are interested in selling silver to the government," and this premium or bounty may be increased to 30 per cent.

That this is not an imaginary danger will be made more manifest when it is stated that while the export of wheat from India in 1877–'78 was but 4,150,000 bushels, in 1884–'85 it was 30,000,000 bushels, or more than one-third of the export from the United States during the same year, the latter being 84,653,714 bushels. Within the last five years 1,000,000 acres have been added to the wheat acreage of India without a particle of interference with the quantities of other crops raised.

Mr. William H. Oliver, of North Carolina, says:

When England buys wheat and cotton from the United States she pays gold or its equivalent for it, when she buys it from India she pays for it in silver. Her preferences are all in favor of India, and although the expenses of transportation are much heavier, yet the difference in paying for it in low-priced silver makes up for it.

The interest of England and the United States is diametrically opposite.

England produces no silver and wants it at ruinously low prices, hence she demonetized.

England on a gold basis wants to buy silver cheap, and with that silver buy wheat and cotton from her own dependencies and thereby cut off the United States from the sales of those articles which her necessities compel her to buy; and strange to say, in this country is found a class of our own people willing to assist England in this movement.

Then I ask again whether it is not high time for us to tear ourselves away from this barbaric English system, if not for the protection of ourselves at least let us no longer be accessories to the hellish crimes of Great Britain against her subjects and slaves. [Applause.]

Sir, with free coinage of both metals, a distinctive American system of finance and protective tariffs, we can tear the commercial jaw of the British lion, and so lubricate the wheels of progress that all the world will share its blessings.

But it is said that free coinage of silver would drive gold out of the country, under the operation of the Gresham law; but this is an error, because the Gresham law is applicable only to those countries where the balance of trade is against them, and where they are not gold-producing countries, as we are; moreover, the following circular from Moore & Schley proves the contrary:

[Moore & Schley (John G. Moore, W. K. Kitchen, Grant B. Schley), bankers and brokers, 26 Broad street, New York; 114 South Third street, Philadelphia; 1419 F street, Washington; Irving A. Evans & Co., Boston, Mass.; E. L. Brewster & Co., Chicago, Ill.; Hubbard & Farmer, Hartford, Conn. Connections by private wire.]

NEW YORK, *February* 17, 1886.

While it is conceded that the controlling factors in the financial and business situation favor a higher range of values on the stock exchange, there is a very general apprehension here at the East that some action by Congress on the silver question may affect the market adversely. It would be well, therefore, to consider this matter from a common-sense point of view, so that dealers in securities may know what to do if Congress should follow one of several possible courses.

The prevalent belief among those who are best posted is that the present Congress will not suspend the coinage of the silver dollar, and that matters will go on for another year as they have for the past eight years; that is, that every month $2,000,000 of silver bullion will be coined into standard dollars. Assuming that this will be the case, what effect will it have upon the market? The advocates of silver coinage claim that we can only judge by the experience of the last eight years, which they say has been favorable not only to the value of securities, but all values, because since that time we have been steadily adding to our stores of gold, without very largely increasing our silver reserve. The fact is emphasized that from 1873 to 1878 inclusive, a period of six years, the exports of gold exceeded the imports by $123,754,210, an average of $20,625,000 a year.

Since the passage of the silver bill in 1878, the imports of gold have exceeded the exports by $200,856,031; this, too, in addition to retaining in the country all the gold we mined. In 1877 we had in the United States less than $200,000,000 of gold. The Financial Chronicle estimates it at $175,000,000, but the Mint authorities say $193,000,000. The Director of the Mint, in his report just issued, estimates the total stock of gold on January 1, 1886, at $626,733,869, showing an addition to our gold reserve of $433,000,000 since the passage of the silver coinage act in 1878. Curiously enough the excess of our exports of silver over imports since 1878 has been about $16,000,000 per annum. According to the Mint authorities, our total stock of silver is $297,904,950, considerably less than half our stock of gold. Every year since the silver coinage act was passed has seen our store of gold increase, relatively to our store of silver. These facts are curiously at variance with the belief so generally entertained that the silver coinage, under what is known as the Gresham law, is driving gold out of the country. Bimetallic France has had similar experience. With 20,000,000 less population than the United States, it has a coinage of nearly 600,000,000 5-franc pieces, the equivalent of our silver dollars, or some $380,000,000 more than our total silver coinage. At the same time France holds more gold than any nation on earth. Its gold reserve is $850,000,000. The Bank of France shows a steady gain in its gold reserve, while that of England and Germany, the gold-mint countries, remains stationary. The Bank of France, at present, holds $30,000,000 more in gold than the banks of England and Germany combined. According to the silver advocates, were we to continue coining silver dollars at the rate of two million per month we would not have as many as France, relatively, until a good way into the twentieth century; and yet the French 5-franc pieces, with 3 per cent. less silver than the American standard dollars, circulates on a par with gold.

But there are other facts which seem to show that silver coinage has not proved detrimental. The following comparison of the condition of the national banks in 1877 and 1885 shows that they, at least, have lost nothing by the silver coinage:

	October 30, 1877.	October 30, 1885.
Capital stock	$479,500,000	$527,500,000
Undivided profits and surplus funds	167,300,000	206,500,000
Specie	22,700,000	174,900,000
Deposits	630,400,000	1,120,100,000

Then the deposits in savings banks in 1885 show that they were $200,000,000 greater than in 1881. The figures for 1877 are not available, or they would show a still larger increase.

The fact that exchange is near the gold exporting point, and that some of the yellow metal has been shipped since January 1, has led to the fear that we will lose a great deal of gold in the near future. But, as the Evening Post and other anti-silver publications have shown, this does not seem at all credible while the balance of trade is in our favor. The exports and imports of the United States, as reported by the Bureau of Statistics, for six successive years are instructive on this point. The values of the merchandise exports and imports for the entire year have been in millions of dollars:

	1880.	1881.	1882.	1883.	1884.	1885.
Exports	889.7	883.5	768.0	795.2	749.4	688.8
Imports	696.8	670.2	752.9	687.1	629.3	587.5
Excess of exports	192.9	163.3	15.1	108.1	120.1	101.3

Then the current stock speculation is attracting European money for investment this side of the water.

True, our exports have fallen off in money value; we are shipping some gold, and may continue for a time to do so, but we have plenty of the yellow metal to spare.

But suppose the extremists should succeed in committing the Government to as free a coinage of silver as of gold, what would happen? The silver men claim that even then there would be no premium on gold until the proportion of the silver to gold would be greater than it now is in France. With 20,000,000 more population we have only $220,000,000 in silver, less than $4 per capita, while France has $600,000,000, or about $14. Our gold reserve is about $11 per capita, while that of France is about $23. At this rate we could coin $1,000,000,000 in silver without excluding gold from circulation. What the silver men themselves claim for free coinage is perhaps best expressed in one of the resolutions passed at the Metropolitan Hotel silver meeting.

"*Resolved*, That in the event of free coinage being enacted the United States need not fear either an export of her gold or a very large increase of her silver; for if other nations send their silver to our mints to be coined in larger quantities than now, they must do so either to distribute it here in payment for merchandise which they have not hitherto been buying, in which case they would increase our exports and quicken and stimulate our production; or they must do so in order to exchange it in this country when coined for gold; but in such case, if gold is at a premium, its holders here will get the premium and the country will lose nothing, and if gold is not at a premium here in silver, then the inducement to send the silver here will have disappeared and it will not come."

While free coinage might be carried in the House of Represenatives, it would hardly go through the Senate, and if it did it would be promptly vetoed by President Cleveland. It is not improbable that Congress will authorize the issue of one and two dollar certificates in place of the greenbacks of similar denominations. This will practically add forty to fifty million more dollars to the hundred and forty million now in circulation. This will end the accumulation of silver, except as against certificates, which would be reassuring to the speculative public. In a general way it may be laid down as an axiom that every addition to the currency of the country enhances values, and that when either gold, silver, or their paper representatives are withdrawn their prices fall off.

It is now to be considered what would occur were the silver coinage to be suspended. The impression is universal at the West and South that there would be an immediate break in prices of all kinds. The price of silver has already fallen from 51*d.* to 46½*d.* per ounce. It would probably take a slump to 35*d.* If this one metal only was affected it would be a comparatively trifling matter; but in the shrinkage of values which has taken place since bimetallism was set aside by the commercial world, silver has proved to be the best measurer of values; that is to say, silver to-day will buy as much of any product of land or labor as it did before it was demonetized in Europe in 1872. The real phenomenon is that the purchasing power of gold has increased from 20 to 30 per cent. Were the American support of the silver market withdrawn the purchasing power of gold would be enormously enhanced, which fact would show itself in an unprecedented crash in prices. This view would not be the correct one, but every operator in the West would sell the market right and left, and there would be plenty here at the East to follow their example. Indeed, the main argument of those who favor the stoppage of the silver coinage is that it will create so much bimetallism. There has been great suffering in England, especially among those who do business with the East Indies, where silver is the

exclusive currency, and its depreciation makes exchange so high as to turn trade profits into losses.

Probably this reasoning of the anti-silver coinage advocates is correct; but as we are having a revival of business and a buoyant feeling, not only on the stock exchange but in all departments of trade, it does not seem probable that an American Congress would care to do evil that possible good may come, and thus voluntarily bring about the same distrustful condition of things which exists in England and Germany, the two leading gold-unit countries. Demonstrations by mobs of unemployed workmen, such as have been seen in London and the manufacturing districts in England, are not experiences such as the American public will care to go through.

In the above the silver side of this controversy is presented for the reason that the anti-silver newspapers and financial authorities of the East have had the ear of our public almost exclusively. Those who deal in securities should have all the data for forming correct judgments of their own.

Yours, respectfully,

MOORE & SCHLEY.

But, it is said, we have too much silver already; it will not circulate. Sir, there is no danger of too much silver as long as our per capita is below that of France, as shown by Moore & Schley, for the nearer we get to the French per capita the further we get from our miserable, uncertain, blood-sucking credit system, which is the mother of panics and hard times; and the nearer we get to a cash basis. Of course, as long as our President and Secretary of the Treasury remain the willing tools of the gold bouncers and act as their turn-key in locking up the silver, it can not circulate even as much as the felon in his cell; but, if like honest officials, they would execute the letter and spirit of the law, and issue their call for bonds to the full extent of the surplus hoarded in the Treasury, and pay only half in silver, then pay half the pensions, half the amount due the Government officials and employés and other creditors, in silver, do you suppose any one would refuse it? Oh, no; we would all take it, for we all know that it is, and always has been, a legal tender for all debts, and that a refusal to take it would cancel the debt pending such refusal.

But they say as soon as we pay it out it comes right back again. Well, what of that? Can not you pay it right out again? And thus it will circulate more actively than any other kind of money. But that is just what these bouncers do not want, for by that process the debt will be paid too soon and bank circulation withdrawn, and I hope greenbacks substituted for them. Then when the debt is paid wipe out the cursed internal-revenue system, and by a high protective tariff reduce the receipts to the current expenses of the Government.

But you say free coinage will decrease the purchasing power of a dollar, and therefore will deprive the poor workmen, and the widows and orphans of their savings; but this can only affect those whose assets are in money, while upon all other assets it will have the opposite effect. But even if true, it is no good argument, as the same reasoning would apply to the stockholders of a railroad who might object to the building of a competing line because their stock would depreciate by reason of the division of traffic with the additional road. But why is it the President, the Secretary of the Treasury, and my colleague [Mr. SCOTT] are so very solicitous about the few poor workmen and the widows and orphans who are creditors, and have no care for the millions of poor who are debtors, for if free coinage will injure the creditor then suspension of coinage will injure the debtor, and our debts, national, State, county, municipal, corporate, and private, are in excess of our taxable assets; therefore to demonetize silver or gold would double our debts and decrease the value of all property (except money assets or their equivalents) about one-half.

But, say these gentlemen, the silver dollar is a dishonest dollar; it is only worth 80 cents. I deny this, as you can not get a silver dollar anywhere, even at a discount of 1 per cent. It will buy just as much as a gold dollar and will pay just as much of a debt. But they say silver has fallen in value. This is also false, as silver has not depreciated in value, for it holds its own value with other commodities, all of which are lower, if measured by gold value, and if I had time would more clearly show, but as others have fully established this point it is unnecessary. Hence it is plain that gold has appreciated in value and is therefore the dishonest, robber dollar.

But to me the most sickening feature of this discussion is in the attitude that these bouncers assume toward the workingmen, especially my millionaire colleague, Mr. SCOTT. He takes such a fatherly interest in them that he prays to God in their behalf, and beseeches us not to pay them in the dishonest silver dollar, for he says on page 5 of his printed speech, as follows:

> And, sir, I make bold to state another theory, that if there be in circulation a good dollar and a poor dollar the rich man will always get the good dollar and the poor man the poor dollar. If public policy required that all dollars should be poor in order to rob the creditor class of our people in favor of the debtor, I appeal to this House to in some way protect the man who earns his bread and supports his family by his daily labor, and when he asks for bread not to give him a stone. How this can be done in any better way than by giving the rich and poor alike a good dollar I do not know; but protect, in God's name, the poor man. The rich man can take care of himself. He needs no sympathy, nor is he entitled to any.

Brave words these. But see how he trifles with the subject, for he devotes nearly all of page 10 and part of page 11 to show that there ought to be two kinds of metallic money. The one should be what he calls the world money (or gold) to be used by the rich, for large transactions and for foreign exchange, and the other should be silver for the poor man in smaller transactions, and for purely home use. The world's money or rich man's money should be made of better stuff and have greater value than the poor man's home money, so that the poor man's money would not leave the country, neither should the poor man's money (or silver) be redeemable in the rich man's gold money, yet on page 4 he justifies the United States Treasurer for not paying the bondholder in silver, because the bondholder should be allowed to choose between what he here calls the rich and poor man's money.

Yet he agrees, in another place with the President that if you pay the poor workingman with the silver dollar you cheat him, because it is worth less than the gold dollar.

Sir, if labor was paid in the commodity value of the silver dollar or its representative, then labor would lose; but being paid in its legal or money value it gets just as much as if paid in gold, as both have the same purchasing and paying power. But again, they say if you remonetize silver you depreciate the money value of the silver dollar. This is true; but by it you also depreciate the money value of the gold dollar relatively, and as the workingman as a rule has no considerable number of dollars of any kind on hand he need not be alarmed at their depreciation, especially when the depreciation of the value of the dollar will relatively appreciate, or raise the value of all his other commodities, whether they be labor or any other assets. Hence I say that the fatherly care these gentlemen have for the poor workman is the kind that the wolf gives to the lamb.

But let it be admitted that whether it be suspension or free coinage, wrong must be done either to the creditor or debtor. Then as the debtors are largely in the majority it is better to wrong the minority than the majority, for all producers, property-owners, stockholders, and taxpayers are debtors. Therefore the only ones that are not more or less benefited by the free coinage of the honest silver dollar are those who live on usury, or at least to the extent that their income is interest on money loaned. Therefore I want to legislate in the interest of the honest debtor. I want our debts paid whether they be public, corporation, or individual.

But, sir, it is not only a question as to the number or proportion that are to be injured or benefited by our legislation, but the degree of injury or blessing to those to be affected will always be considered by the honest statesmen. I contend that to impoverish the people is a greater crime than to tax the wealthy. The widow's mite was a greater sacrifice to her than all the contributions of the rich.

It is not so hard to take from the few a small, or even a large portion of their superabundance as it is to rob the poor of any of their necessaries. If wrong must be done, I would rather wrong the strong than the weak. I would rather have less gold for the rich than no bread for the poor. I would rather tax the luxurious surplus of the few than lay tribute on the sweat and blood of the masses. [Applause.]

Silver Coinage.

SPEECH

OF

HON. JAMES M. RIGGS,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES.

Saturday, March 20, 1886.

On the bill (H. R. 5600) for the free coinage of silver, and for other purposes.

Mr. RIGGS said:

Mr. SPEAKER: The importance of the question of silver coinage is conceded by all gentlemen here, and the people of the country fully appreciate that importance. For some time it has been the chief subject among them. And when we review the history of the last few years in regard to it all surprise at the interest manifested by the masses ought to disappear.

A few years ago we had as legal-tender money among us gold coins, silver coins (including the silver dollar), and greenbacks. While these were in circulation as legal tender a large amount of indebtedness was contracted. Included in this indebtedness was the large bonded obligation of the United States—some of it payable in any of the legal-tender dollars of the country, and some of it payable in any kind of legal-tender coin dollars.

After these obligations had been issued by the Government and bought by the money lenders and paid for in greenbacks a Republican Congress conceived the notion that the public credit needed strengthening. Just why it needed it at that time may be difficult for an ordinary mortal to understand. The Government had already contracted its public debt. The bonds had been sold, the proceeds received and expended, and we were not wanting to sell any more bonds or borrow any more money. On the contrary, we were getting ready to pay our debt. In private affairs the credit of the individual needs strengthen-

ing, if at all, during the borrowing or debt-contracting period, and not after that has been safely passed and the paying period has been successfully entered upon.

But so impressed was Congress with the notion that the public needed strengthening that it passed laws the real effect of which was to provide that the obligations of the Government which were payable in greenbacks should be payable in legal-tender coin only.

Not satisfied with this success those benefited by it secured, a little later, the demonetization of the silver dollar, which of course had the effect to make coin obligations of the Government payable in gold coin only. This legislation solely in the interest of the bondholding and creditor classes, and at the expense and to the disadvantage of the many, soon aroused the people; and Congress found it necessary to restore the silver dollar to our stock of legal-tender money, which was done in 1878, but with a limitation upon the amount of monthly coinage.

Lately those who profited by that unfair legislation have discovered that the coinage of the silver dollar ought to be suspended, their real object being no doubt to demonetize it again. The reason assigned, in brief, is that the relative values of our gold and silver coin have diverged and to continue the coinage of the standard dollar will endanger the business interests of the country. The whole field of statistics is put under contribution the world over in the attempt to convince Congress that the country is in danger from the continued coinage of this dollar. We are told that we are powerless in this matter because England and Germany choose monometallism; that our remedy is to follow their example and adopt a gold standard only. That is to say, we must yield to the mistaken or avaricious notions of European royalty and aristocracy and reduce the volume of our circulating medium, thereby adding to the difficulties and burdens of the toiling millions in this country.

I must be permitted to deny the necessity or the wisdom of such a course. We are a nation, and I will not quarrel with those who choose to spell it with a big "N." It is our duty to legislate for our own people, not to please the rulers of the imperial governments of Europe. Instead of yielding to the notions of those governments we should consider and, as wisely as possible, provide for the welfare of the American people.

I do not believe there can be a gentleman found on this floor who will sincerely contend that a reduction of the volume of our money at the present time will—can by any possibility—be beneficial to the masses of our people. It seems to me that all must admit such a course would add to the present distressing stringency in business affairs.

Of course, a contraction would be individually beneficial in a money point of view to the very wealthy, the lenders, the rich corporations, the plethoric bankers, the millionaires. But these constitute numerically only a small part of our population, and the larger part, the laborers, the mechanics, the farmers, the small manufacturers, in short, the mass of our people all over the country, would be materially injured by a suspension of silver coinage and many of them would be financially ruined by its demonetization.

I am sorry to say I believe such a result would be looked upon placidly and with pleasure by the very wealthy in the money centers. They have toyed with the poverty of the poor and fattened on the misfortunes of their fellow-men. They have grown so wealthy while the masses have been oppressed and growing poor that they have come to regard their good fortune, growing out of such a state of affairs, as their birthright, and want to see this state of affairs continued and intensified. They have built and enjoyed their yachts and their palaces, while the masses who work and make the wealth of the country have struggled, and struggled hard, to keep the wolf from the door, not always with success.

By means of unfair legislation and unfair administration the wealthy have grown very wealthy and the poor have grown very poor.

Now, I do not want any one to misunderstand me. I have no sympathy with the lawless spirit which would disregard property rights; no sympathy whatever with anything in the nature of communism. When a man, by industry and economy, has acquired property, he should be protected in his possession. But he should not be permitted to oppress those who are less fortunate; and, more than that, he should not be assisted by legislation in crushing to earth those who have little or nothing.

I would not improperly deprive any man of property or money properly acquired, no matter how much he may have.

But I have long felt, and still feel, that a millionaire is a curse to a Republic, and I firmly believe we would be better off if we had none. The poor and those of moderate means are the real support of the Government. I do not wish the millionaires any harm. If I were going to make a wish in regard to them I would wish them in heaven. I think the country would be much better off if a kind Providence should find need for all of them beyond "the shadowy valley." "They toil not, neither do they spin," yet "Solomon in all his glory was not arrayed like one of these." With their yachts, their palaces, their pleasure cottages, their liveried equipages, and, what is infinitely worse, their vicious notions of legislation and governmental policy, they constitute an element which is of no good use in a republic.

It is different under an imperial form of government. Their royalty and nobility must be maintained at all hazards, even though in maintaining it the subject be bowed to the earth. If a scion of royalty, or a descendant of a house of long and noble lineage, meet with mishap at the gaming-table or race-course, or otherwise, he must be provided for from the public treasury, so that by no means shall the line of distinction which separates him from the people be permitted to disappear. And the people furnish the money. We want none of that. Yet we are asked to follow the example of the two great imperial governments of Europe on this money question. And who asks this? Are the farmers asking it? Are the mechanics asking it? Are the laborers asking it? Are the small traders asking it. Are the poor or those in moderate circumstances asking it? No. But these classes constitute the real body of our population—nineteen-twentieths, probably ninety-nine hundredths. If legislative wisdom can not devise legislation on the subject which will benefit all, then it should consider the interests of the many even at the expense of the few, especially when the few are opulent while the many are poor.

But to return to the immediate subject. Who is urging the suspension of silver coinage and the demonetization of the silver dollar? We all know: The millionaire, the rich corporations, the plethoric bankers of the money-centers. Those who have been in the habit of playing "hocus-pocus" with the country's finances. I am aware that this may be called denunciation. Gentlemen on this floor who have championed the cause of these monometalists have charged that the friends of the silver dollar are denunciatory—that they seem to expect to settle the question by heaping abuse on their opponents. Mr. Speaker, the abuse and denunciation have not all been on one side. The advocates of the suspension of coinage and the demonetization have for a long time industriously denounced the friends of the silver dollar as "silver lunatics;" they have denounced the Government as dishonest. Here is a sample from a leading New York weekly, which assumes to be the spiritual teacher of its readers:

> We can not expect the people of this country to be very distinguished for their morality while the Government, by its laws and practices, is directly teaching immorality.
>
> A man who passes a counterfeit coin composed in part of silver or gold and the balance of it in some inferior metal is called a swindler, and is very unceremoniously hustled off to prison. The Government of the United States, however, may cheat in that direction, and force the people to take millions of 79-cent dollars, and then claim that such counterfeit morality deserves the name of honesty. It proposes still to do, in the future, as it is now doing, an act even worse than this—it proposes not only to cheat the people by compelling them to take these 79-cent dollars, but to lie about them also by calling them dollars. It now says to the world that these swindling 79-cent coins shall be called, each and every one of them, "one dollar," and be so stamped on the face of every one of them. By this monumental immorality the Government of the United States of America is now, in the judgment of all honest men, the world over, entitled to the high rank of being called the chief counterfeiter and champion liar among all civilized and uncivilized nations. This is, to be sure, very plain talk; but it is nevertheless the solemn truth.

The organs of the capitalists and lenders have been and still are filled with such denunciation as the foregoing. It would serve no good purpose to occupy time and space in the RECORD by reproducing other specimens. Gentlemen who have advocated the cause of the monometallists on this floor have taken up the refrain, and called our dollar "a fraud and a cheat," "a dishonest dollar," "a 79-cent dollar," &c. Why does any one so designate the silver dollar? Why charge the Government with dishonesty for making it? If the Government had made and put into circulation a new metallic dollar, containing less intrinsic value than had before been employed, and had made it a legal tender for all dues, I can understand why the creditor class might complain of being compelled to take it in payment of debts contracted before it was made.

But what is the fact in regard to the real, intrinsic value of our standard silver dollar? The truth is, it contains just the same quantity of pure silver contained in our silver dollar from the foundation of the Government to the present time. In 1792 the first act was passed regulating the coinage of the United States. It provided that the silver dollar should contain 371¼ grains of pure silver. The act of 1837 provided for a dollar containing the same quantity of pure silver; and the act of 1878, sometimes called "the Bland act," now in force, provides for exactly the same quantity of silver. So that the standard dollar of to-day, denounced as "a fraud and a cheat" on this floor, has precisely the same quantity of silver in it as has been contained in our silver dollar ever since we began to coin money. This being true, I should like for some one to point out particularly the dishonesty in paying our debts with it. Is it dishonest for me to pay my debts in the same money which was current and a legal-tender when they were contracted? It certainly is not. If I contract a debt at a time when there are two kinds of legal-tender dollars in circulation, and afterward one of those legal-tenders enhances in relative value, shall it be said I must pay in that alone?

Talk about dishonesty! Those who would thus impose on the creditor class, or require the tax-ridden masses of this country to furnish from their scant earnings the means to thus pay public obligations, have peculiar notions of honesty.

In the discussions which this subject has provoked throughout the country, in the newspapers, on the rostrum, and elsewhere, we have had many apostrophes and appeals to "honesty" and "patriotism"

from those who desire the demonetization of silver, and the consequent establishment of gold monometallism.

I never have known an experienced operator to go about a legislative body with a view of procuring legal sanction for a plan to rob somebody but that he went clad in the garments either of piety or patriotism, or both. It is really trying to witness the apparent evidences of pain depicted on the faces of some of these gold men when they contemplate and speak of the moral obliquity of the American people as manifested in their desire to pay their debts in the same kind of legal-tender money that was in circulation when the debts were contracted.

We are told that the business men of the country demand a suspension of the silver coinage. Do all the business men demand it? Certainly no one will have the effrontery to assert the affirmative of this question. Then, what business men? As before stated, they are the great lenders, the managers of rich corporations, the very wealthy. And there are reasons satisfactory to them based on the purest selfishness, in my judgment, why they demand it. A reduction in the volume of our money would enhance the relative value of their possessions. Many of them hold obligations of the Government soon to become payable which may be discharged in legal-tender coin, and a demonetization of silver, toward which suspension of coinage would be a long step, would make them payable in gold coin only and thereby further add to the gratification of their rapacity. It would no doubt be of financial benefit to the creditor class.

In looking over the many opinions of bankers which have been published to establish the necessity and desirability of suspending silver coinage, I felt refreshed when I found one that plainly and frankly stated the real facts in regard to the controversy. It is the address before the bankers' convention at Chicago last fall by Mr. John Thompson, president of the Chase National Bank of New York, and the following is a quotation:

The warfare over the two precious metals is a contest between debtor and creditor. The advocates of the gold standard commenced the trouble. In 1873, Germany, having obtained a thousand millions of gold from France (indemnity money), undertook to substitute gold for silver. At the commencement of this movement silver was at a premium, but the natural effect of supply and demand soon followed. The German silver overstocked the London bullion market; this, together with the absorption of gold, caused a violent parting of the market value of the two metals. Following the lead of Germany, Sweden, Denmark, Norway, and this country demonetized silver; France, Belgium, Spain, and Italy stopped coining it; and in July, 1876, four dollars of gold was equal in the London bullion market to five dollars of silver.

* * * * * * *

Gold as money is practically unknown by the people; they handle silver and paper money only. If the paper money is redeemable in coin, then it is equal to coin, and is more satisfactory than the coin itself.

The debtor class is ten to one of the creditor class; the mortgageors are numerous as compared with the mortgagees. The debtor knows full well that the conversion of silver into merchandise, instead of being monetized, will fully double the burden of his debt.

Having stated only a few of the indisputable facts involved in the currency discussion, I will venture a prediction at the risk of being called a false prophet.

Congress will not demonetize silver. It always has been and will continue to be money.

* * * * * * *

Finally, if the determination to demonetize silver is persisted in, silver will be the standard and gold will be merchandise.

I regret the necessity of this plain talk, and do sincerely hope that some measure can be adopted to perpetuate the double, or bimetallic, standard. The equities, as between debtor and creditor, should not be violated. The wheels of prosperity should not be blocked by the conversion of one-half of the basis of our currency and credit into mere property. The extra liability of suspending specie payments should not be incurred.

The most active financial minds of Europe are discussing the "hard times," much of which is attributable to the demonetization of silver.

This gentleman evidently is intelligent. He correctly states the situation. His statement may be briefly summarized, changing to some extent his order of arrangement.

First. The warfare over the two precious metals is a contest between the debtor and the creditor.

Second. The debtor class is ten to one of the creditor class. (I believe the debtor class is greater in proportion to the creditor class than he states.)

Third. The demonetization of silver will double the burden of the debtor.

Fourth. Congress will not demonetize silver.

Fifth. Silver will continue to be money.

Sixth. The wheels of prosperity would be blocked by converting silver into mere merchandise.

Seventh. The equity between debtor and creditor should not be violated by the demonetization of silver.

Eighth. Much of the hard times in Europe is attributable to the demonetization of silver.

Ninth. The advocates of the gold standard commenced the trouble.

Mr. J. K. Upton, late Assistant Secretary of the Treasury, and not a friend to the silver dollar, in his book entitled Money in Politics, makes a statement which is also interesting in this connection. Speaking of the demonetization of silver in 1873 he says:

Had the silver dollar not been discontinued, its coinage at the mint for purposes of circulation would have been resumed upon the fall in the price of silver bullion, and resumption of specie payments would have occurred in 1876 upon a silver basis 20 per cent. below that of gold. Public, State, municipal, corporate, and private indebtedness, contracted prior to the change of standard and payable in coin, would then have been satisfied by the payment of silver dollars, these coins having had a legal if not an actual existence at the time the obligations were contracted. Nor would the debtor have had, in such an event, any just ground of complaint. No one had ever alleged of either metal an immutability of value, and the obligee to a contract calling for coin took a risk, which he was presumed to know, of being paid in the cheaper metal.

The discontinuance of the silver dollar, however, took from the obligor the powers, if not the right, to satisfy his coin obligations by payment in silver coin. The number of private contracts affected by the discontinuance of the silver dollar in the country was probably not great, nor their amount excessive; but a large amount of corporate, municipal, and State indebtedness existed, payable in coin, and contracted previously to 1873, and this could now be paid only in gold.

The entire bonded debt and the circulating medium of the United States was affected by the discontinuance. A large portion of the debt contracted during the rebellion called only for "dollars," and not without reason there had arisen in the country a considerable demand that these obligations should be satisfied with United States notes, those being the kind of dollars the Government received for the obligations.

This is a reasonably fair statement of what were the rights of the debtor class when the silver dollar was discontinued and what the legal effect of the discontinuance was. Coming from an enemy of the silver dollar and from one who seeks to justify the crime perpetrated against the people in the interest of the bondholders by legislation requiring our bonds to be paid in gold, including the demonetization of silver, it is worthy of the reproduction I have given it here.

To return to the charge that the silver dollar is a dishonest coin, a 79-cent dollar, let me ask who refuses to take it at par? All over this country the laborer takes it and is glad to get it. The mechanic takes it. The farmer takes it. The professional man takes it. All of them are glad to get it, and they never think, when it is offered in payment for a dollar's worth of work or commodity, of suggesting that it is only a 79-cent dollar. It will buy as much labor and as much of the necessaries of life anywhere in this land as a gold dollar. This is admitted by the gold men. The gentleman from Pennsylvania [Mr. SCOTT], in the same speech in which he characterized it as "a fraud and a cheat," uses also the following language:

Sir, no gold monometallist denies that the purchasing power of the present standard silver dollar of 412½ grains is to-day equal to a gold dollar

True, he follows this statement with an attempted explanation in this language:

But we do deny, sir, that this state of affairs grows out of the fact that the Government has stamped it a dollar and makes it a legal tender as such. This condition of affairs arises solely from the fact that the Government receives it as the equivalent of a gold dollar; and if the Government should stamp 412½ grains of copper and receive it as the equivalent of a gold dollar, its purchasing power would equal the present gold or silver dollar so long as we are on a bimetallic basis.

The attempted explanation is not altogether satisfactory, and leaves the fact in existence, and also concedes more to the fiat-money theory than I would have supposed a gold man would be willing to grant.

But they tell us if we continue the coinage of this dollar we will drive the gold out of the country. That cry has gone up so often that it has ceased to be alarming. We have heard that for years. We have heard it from the gold men, from their organs, from Secretaries of the Treasury, from Presidents, and in one instance—a monumental instance—from a President-elect.

But while the gold prophets and the Treasury prophets and other prophets have been assuring us that the gold would certainly all go out of the country, what have the facts—those stubborn things—been establishing? Simply this: that during the time which has elapsed since the passage of the Bland act, beginning with the year 1879, the gold imported into this country has exceeded that exported from it by over $183,000,000. In the same period of time the exports of silver have nearly doubled the imports.

The following table, compiled from official sources and believed to be accurate, exhibits by years during the period named the imports and exports of both metals:

Year.	Gold.		Silver.	
	Imports.	Exports.	Imports.	Exports.
1879	$5,624,948	$4,587,614	$14,671,052	$20,409,827
1880	80,758,396	3,639,025	12,275,914	13,503,894
1881	100,031,259	2,565,132	10,544,238	16,841,715
1882	34,377,054	32,587,880	8,095,336	16,829,599
1883	17,734,149	11,600,888	10,755,242	20,219,445
1884	22,831,317	41,081,957	15,504,777	29,868,748
1885	26,691,696	8,477,892	16,550,627	33,753,633
Total	288,048,819	104,540,388	88,397,186	151,426,861

This table discloses that in every fiscal year since the coinage of the standard dollar began under the Bland act, except one, more gold has been brought into the country than has been shipped out of it. In 1884 the balance was against us, but in 1885 there was a large balance, over sixteen million, in our favor. And thus, while the gold men have been year after year playing the rôle of alarmists and trying to scare the country into the belief that all our gold was going or would soon certainly go out of the country, the facts of history have been constantly accumulating against them and giving daily contradiction to their dire predictions. But still the predictions continue.

Now, Mr. Speaker, what has occurred in the past, under a certain state of circumstances, may be presumed to be of at least probable occurrence, in the future, under the same circumstances. The facts conclusively show that in the past, with the coinage and circulation of the silver dollar progressing, gold has not been driven out of the country, but on the contrary it has been constantly coming to us from abroad in greater quantities than have been going away. We have a right to judge the future by the past. So judging it we may properly conclude that the balance will continue to be in our favor so far as the importation and exportation of gold are concerned, and the prophesied danger from that source is not imminent.

The bill under consideration proposes not only to continue the coinage of silver, but to put its coinage on an equal footing with gold by making it free; and I am in favor of it. From the organization of our Government, or more accurately speaking, from 1792 when our first coinage act was passed, down to 1874, the coinage of silver was free, and I do not perceive any good reason why it should not be so. From time immemorial both these precious metals have been used as money. The Constitution of our country recognizes them both, and, I believe, makes them both legal tender and forbids the demonetization of either. This opinion has been entertained by eminent men in all periods of our history. I will quote the opinion of one gentleman, quite prominent in our late history, who ought to be accepted as authority, at least, on one side of this House. I refer to Mr. Blaine, who in 1878 said:

I believe gold and silver coin to be the money of the Constitution, indeed the money of the American people anterior to the Constitution, which the great organic law recognized as quite independent of its own existence. No power was conferred on Congress to declare either metal should not be money. Congress has therefore, in my judgment, no power to demonetize either any more than to demonetize both. * * * If, therefore, silver has been demonetized, I am in favor of remonetizing it. If its coinage has been prohibited, I am in favor of ordering it to be resumed. If it has been restricted, I am in favor of having it enlarged.

But we are told the silver dollars accumulate in the Treasury and do not circulate. The accumulation, to a large extent at least, is due I believe to administrative discrimination against this coin. Let the Treasury officials pay the maturing obligations of the Government in standard dollars wherever not bound by previous legislative crime to pay them in gold, and the Treasury will be relieved of its burden, at any rate to some extent.

And now, in conclusion, let me say the Democracy of the country and the people in general demand and expect of this Congress, and are entitled to have, action which shall be in the interests of the people generally, and not solely in the interests of the few and the wealthy who are in condition to take care of themselves. All over the country there is business stagnation, and legislation which intensifies the malady, or a failure to legislate for the general relief, may prove disastrous to the party in power.

Hurd vs. Romeis.

SPEECH

OF

HON. RICHARD GUENTHER,

OF WISCONSIN,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 14, 1886.

The House having under consideration the contested-election case of Hurd *vs.* Romeis—

Mr. GUENTHER said:

Mr. SPEAKER: I have listened with great interest to the speech of the contestant. I presume that he addressed the Committee on Elections with the same burning eloquence; in fact, I have no doubt that he did so. In spite of all his oratorical talent, his plausibility and shrewd sophistry, he was not able to persuade a Democratic committee that he was elected. How poor, then, must his case be. That fact alone ought to be sufficient to assure every fair-minded and unprejudiced gentleman that he was not elected.

The distinguished and able chairman of the Committee on Elections in his closing speech showed conclusively that the contestant, Mr. Hurd, produced no evidence whatever in support of his charges, nothing but hearsay, and mostly second-hand hearsay.

The whole proceeding on the part of the contestant is an unmitigated farce.

Mr. Speaker, the case is so clear and the majority report of the Committee on Elections alone disposes of the claim of the contestant so thoroughly that it would be superfluous for me, especially after what has already been said, to present further arguments in favor of the contestee.

Some time ago I carefully studied the evidence and the briefs, and then I came to the conclusion that a jury of fair-minded and unprejudiced men, if I may say so, could not help bringing in a verdict for the defendant. I can not see how they could do otherwise.

It is a deplorable situation, Mr. Speaker, that there are so many people who entertain the idea that in questions of this kind men are incapable of being just and fair-minded, but are entirely guided by partisan bias, and that the only requisite for a party to a contest to be successful is to belong to the party having the organization of the respective political body.

This popular impression, Mr. Speaker, is a sad commentary upon the sense of fairness and justice which should govern our actions; but while I admit that there has been in the past some cause for such an erroneous opinion, I know that it is not altogether so; that something more substantial is required to be established than to belong to the party in the majority.

I rejoice, sir, that the world does move, and especially that it moves in the right direction. I am glad that the old Latin saying, "Let justice be done, even though the heavens fall," is gaining ground to some extent even in election cases in a Democratic House. It is a progressive step which entitles the committee to the plaudits of every patriotic citizen of the Republic.

But, Mr. Speaker, all this I would gladly have left to other gentlemen to say or not to say; I would have kept silent, had it not been for a certain article which was published in one of the leading Democratic newspapers of the country. Had it appeared in a paper of less prominence than the Louisville Courier-Journal, had it been less industriously circulated, had it not borne upon its face the stamp of inspiration from a certain source, had it not been written for the very purpose of prejudicing the cause of the contestee, had it not shamefully and maliciously attacked the honorable conduct of my friend, Mr. Romeis, and wantonly and brutally insulted the nationality to which he and I belong, I would not have taxed your patience and asked you to listen to me even for a few minutes.

This article, sir, is unworthy of a great American newspaper. The sickening adulation of the contestant and the unjustifiable, vulgar, and infamous slandering of the contestee ought to consign its author or authors to the condemnation of every righteous citizen. Of all assassins, he who stabs at the character is the most despicable. The tone of the article recalls the bygone days of the Knownothing movement, of the bloody days of Louisville in 1854 or 1855, and in other American cities, where Germans and Irishmen were killed like dogs. I will read the article:

Frank Hurd—The great tariff-reformer as he appears to a small tariff-reformer—His accomplishments as a man, a statesman, and an orator—The Dutchman whose seat he is contesting, and who must go—Thoughts upon men and things.

[Special correspondence of the Courier-Journal.]

"He reads much;
He is a great observer, and he looks
Quite through the deeds of men."

WASHINGTON, *February* 21.

The most accomplished man in the last Congress was Frank Hurd, of Ohio. He is a scholar, a student, a thinker, a lawyer, a statesman, a poet, and an orator. No man in public life at this time has greater wealth of mental endowment or more varied mental attainment. He was born in Ohio in 1841, and was graduated with distinguished honors from Kenyon College in 1858. He was a conspicuous member of the bar at the age of twenty-two. Ten years later he entered Congress, and was doubtless the best-equipped man in the body for the duties devolving upon a philosophic lawgiver. Cox and Garfield were also members, but Hurd was more eloquent than Cox and more courageous than Garfield, as learned as either, and of more pronounced convictions than either.

There are two kinds of statesmanship. One, that which is possesssed of force, energy, impetuosity, virility, that overrides all opposition, subjects all wills, accomplishes its object at any and all hazards. Of this class were Richelieu, Cromwell, Warren Hastings, Chatham, Bismarck, Mirabeau, Thaddeus Stevens, and many others. The other is that class of statesmen who act from convictions of right, who love justice more than they love victory, who love mankind more than they love party. Of this class the most distinguished representative is Edmund Burke, and in the same class might be placed Daniel Webster and Thomas Jefferson. Partaking of the attributes of both classes are Henry Clay, the younger Pitt, William of Orange, and Abraham Lincoln. In stormy periods, in times of revolution and great political convulsion, the man of the first class is required at the head of affairs. In times of peace, when j dgment dominates passion, the man of the second class in demanded. When political reforms, short of revolution, are to be ingrafted on a country's polity it requires a statesman who has read much, reflected much, and with a broad and comprehensive mind and patriotic instincts to formulate a policy and secure its adoption.

In a deliberative body, such as the Congress of the United States, there should be assembled the mightiest intellects of the country, in order that mind might confer with mind in the settlement of great questions. It is important then that each constituency should be represented by its ablest man of whatever party he may be a member. During the past decade the curse of this country has been dense ignorance or contemptible mediocrity in Congress. Members from the East are merely attorneys for special interests. They are generally careless or ignorant of matters of statesmanship, but in the discharge of their trusts as the agents of monopoly they are vigilant, active, able, and adroit. The South and West, as a rule, send incompetency here who do not get warm in their seats before they let statesmenship go to hell in a hand-basket, and spend their whole time trying to secure a re-election, and to this end they make large drafts on the Seed Bureau and the Government Printing Office. As a result, the Eastern attorneys beat them every time, and that which would be reform if adopted now, may become revolution if deferred a decade in the future.

Mr. Hurd is a man of broad and comprehensive views. He has disciplined his mind by severe study of the science of government in all ages. He has reflected much, and has strong convictions upon the great questions now paramount in our politics. It is the fashion to say that he is a crank, a one-ideaed man, but the same has been said of every reformer who has appeared among English-speaking people from Hampden to Franklin, from Wilberforce to Wendell Phillips. He has been ignored, or ostracised, by the money-changers and dove-sellers now in the Democratic temple in Ohio, and every inch of vantage he has gained he attained after an heroic struggle. In that State a tribune of

the people is little heeded. One day the legions of Marius are victorious, the next the hosts of Sylla are in the ascendant. Thurman has been retired, Pendleton exiled, Ward invalided, and Hurd betrayed, while Warner, Le Fevre, and Geddes are becoming high priests at the altar of protection.

Mr. Hurd is one of the most finished orators in America. He has a sweetly modulated voice, and his enunciation is without blemish. His command of language is perfect, and his words are carefully chosen and uttered without hesitation. He is never dull, but always interesting and instructive. In the discussion of dry questions of law he can retain the attention of layman and professional alike.

I was present last week when he closed the debate upon his election contest before the committee of Congress to whom it was referred. General Eppa Hunton had just ceased to speak for the contestee when Mr. Hurd arose, and the chairman announced that he had one and a half hours to speak. The members of the committee, the attorneys, the contestant and the contestee, one other gentleman and myself, together with the clerk of the committee, were all that were present. I had heard him before when he had a brilliant and a critical audience in the House of Representatives, whose attention he held from the opening sentence to the closing word, and had been delighted with his speech. On the present occasion, however, there were not a score of persons in the room. The question was one of dry legal detail in the main, with an incidental one of fact, but he had not been speaking five minutes before he had the closest attention of every one in the room. His language was so chaste and elegant, his reasoning so logical and forcible, his illustrations so pertinent and complete, and his conclusions so inevitable, that the merest tyro in the law could follow his line of thought.

He alluded to the question of agency. He advanced some theories that were combated by two members of the committee. I could see at a glance that, while they were good lawyers, they had not read Warren, or Trollope, or Disraeli. An expression of impatience came over Mr. Hurd's countenance, for he saw that much of his time must be occupied in explaining to the committee the distinctions between the ordinary agency in business transactions and the election agency as settled in the English decisions, but he did it to the satisfaction of every one. When his time expired all were astonished, for though the clock had struck twice during the argument no one in the room heard it. As he uttered copious streams of beautiful sentences, I could but repeat to myself the words of Dryden in allusion to one of the most accomplished men of any age:

"Of pleasing wit and pregnant thought,
Endowed by nature and by learning taught
To move assembly."

The contestee, Romeis, was present, a Thersites to Achilles, Tittlebatt Titmouse to Edmund Burke, Quirk to Lord Mansfield. Once or twice he put in a word, but was promptly squelched by his counsel, though not until he showed that in his make-up

"Every inch that is not fool is rogue."

Practically he admitted that he had bribed voters and seemed astonished that Mr. Hurd should object to it. He is a native of Bavaria, a crout-eating, pretzel-stuffing, beer-swilling Dutchman, who has about as much conception of the spirit of our institutions as a pickaninny on the Congo of the philosophy expounded in the Novum Organum. I have no idea that he could name the Presidents of the United States, even out of their order of service, or that he could tell the nationality of Alexander Hamilton, and would be willing to give odds that he does not know which of them first lived in this sinful world, George Washington or Julius Cæsar. Indeed, he is about as fit to represent an American constituency in the American Congress as a nigger field-hand to deliver a lecture on the Pragmatic Sanction and the campaigns of Frederick the Great. But he will have to go. If he lived in Kentucky and were a Democrat of the most pronounced type, he could no more attain a seat in Congress than he could discover the philosopher's stone. As yet we are not for sale, but when "progress" strikes us and we become Yankeefied, which will be in the not distant future, we will send just such men to Congress.

When Mr. Hurd was a member of the House he was rarely on the floor except when a vote was to be taken or he expected to deliver a speech. He was usually to be found in the room of the Judiciary Committee absorbed in a book or discussing some great question with some such man as Cox, FRYE, Knott, TUCKER, or Garfield. He left the mere details of legislation to less cunning hands. When his party was to be convinced, then it was that he appeared on the scene, and then it was that he showed himself to be the peer of any man in the body. I well remember what a howl of satisfaction went up from every protectionist throat in the country when it was announced that he was defeated. He fought the Republican party in Ohio, the manufacturers of Pennsylvania, the national Republican committee, and notwithstanding bribery and intimidation of workingmen they were compelled to resort to ballot-box stuffing to defeat him, but he will get his seat all the same, and hold up the hand of MORRISON in the entering-wedge that was introduced last Monday.

I never spoke to Mr. Hurd but once. It is a story anent the Field Literary Bureau of 1880. Proctor Knott's committee-room was the headquarters of the show and I sometimes went there to note progress. As I was heartily for Tilden, I was not looked on with much favor by the privates. Of course the leaders paid no attention to me. On one occasion I entered the room and one of the minor Field men said to me: "My ticket is Field and Hurd." Said I, "Why, the devil do you want a kangaroo ticket? You had better say Hurd and Field." A voice at my back said: "Thank you, sir." It was Mr. Hurd who entered as I spoke, and I found him one of the most fascinating men I ever met. He is now in the prime of life and is destined to fill great space in our country.

SAVOYARD.

It is true, Mr. Speaker, that Mr. Romeis was born in Bavaria. That is about the only truth contained in this article. He was born there but it was involuntary on his part. He had no control over that affair. Could he have had, he might, perhaps, have selected some other part of this globe for his debut. He came to this country with his parents when a little more than eleven years of age. He became an American citizen; and, sir, in everything that goes to make a true and upright one, he is the peer of the contestant or of any member of this House. His people know him and have confidence in him. He has been honored repeatedly by the citizens of his home, the city of Toledo. Several times an alderman, he was elected president of the board and three times mayor of the city, and was then elected to Congress by the people of his district, and he never sought any office. Every position he has held he filled with honor to himself and to the satisfaction of his constituents. Besides he has always reflected credit upon his German fellow-citizens.

The German-Americans take a great pride in having one of their nationality filling a responsible position ably and honorably. The German-American citizens take great pride in their citizenship. They are willing to bear all its burdens without complaint. They consider themselves above everything citizens of this Republic, and as such believe themselves entitled to share to some extent in the government of their adopted country. They despise those low, narrow-minded, and contemptible creatures who want to breed strife, prejudice, and hatred on account of foreign birth. They love their adopted country, they espouse its cause, they glory in its free institutions, and strive to be good citizens.

They want to live in harmony and peace with all the rest of the American people of whatever descent. They want to stand side by side with the citizen of Scotch, Celtic, English, or Scandinavian stock, and with the three noble sons of Switzerland, who, standing upon the peak of the Ruetli, with hands uplifted to the heavens above, registered that solemn vow—with them we say to all the citizens of this country:

Wir wollen frei und einig sein,
Ein einig Volk von Bruedern.

We want to be united, free,
A union of brethren.

To this class belongs your German-American fellow citizen. To this class belongs my friend, Mr. Romeis, and I stand where he does.

He is an American in the best sense of the word. He will continue to be a worthy, useful, and respected member of this House. But, Mr. Speaker, I would not for a moment try and defend his claim to a seat in this House were I not fully convinced that he was as fairly and as honestly elected as you, sir, I, or any other member of this body.

Rivers and Harbors.

SPEECH

OF

HON. JOHN M. GLOVER,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 15, 1886.

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes—

Mr. GLOVER said:

Mr. CHAIRMAN: The gentleman from Maine [Mr. REED] conjures up the specter of unnumbered millions to be used in leveeing the Mississippi. These shadows are but the apparitions of his own mind. Does the gentleman know the difference, I would ask him, between a tariff for protection and a tariff for revenue with incidental protection? If so, he knows the difference between levees as an object and levees as an incident. The former is expressly excluded, the latter must necessarily be permitted in this or in any bill on this subject.

The gentleman from Maine professes to be of the opinion that the money of the Government has been wasted in these improvements, and there has been no adequate return therefor. This, sir, is the apocryphal gospel of economy, and has no more to do with the genuine article than pharisaical cant has to do with true piety.

When the Government of the United States appeared to the railroads of this country like another Jupiter, descending in showers and streams of gold, the voice of the gentleman from Maine was not heard in the land, but upon the beggarly two or three millions per annum which the main trunk of the Mississippi has received, not always with regularity, he concentrates his eloquent and undivided attention.

Mr. Chairman, that man or that class of men who undertake to say that the improvement of the Mississippi River has not passed from the region of experiment to that of accomplished fact, only illustrate the prejudice that is too often founded on the wishes alone.

The course of the American Congress toward the Mississippi River, so far from being a course of unbounded, overflowing generosity, as the gentleman would paint it, has been, all things considered, the most parsimonious and the most beggarly ever displayed by a civilized nation in the world. The time has come, when if that improvement is to be starved, it must no longer be done in the name and under the protestation of overflowing liberality. Moreover, that wretched outlay has been repaid with a usury beyond the dreams of avarice.

That other nations, less able to expend, have bestowed upon projects with inferior possibilities for good a hundred millions where we have spent ten, so completely appears from the figures given by the chairman of the committee that I shall waste no time upon the first proposition, but prove the second by a demonstration as undeniable as a proposition in Euclid.

I shall begin with the text furnished me by the gentleman from Maine, who builded wiser than he knew when he gave those figures to this House. Said he: "The result of this mercantile [railroad] system under a great law of nature is that men, day after day, are obtaining at the least cost the products of the whole world. Look at the result upon one single railroad. I noticed the other day in the report of the Chicago, Milwaukee and Saint Paul Railroad some simple figures, to

which I ask the attention of the committee. In 1865 every ton per mile cost 4.11 cents; in 1875 every ton per mile cost 2.10 cents; in 1885 it cost 1.28 cents. There is a law here visible which is working inevitably to the benefit of the consumer, working without the cognizance and apparently without the knowledge of Congress, if one could judge from the speeches of members. These great laws of trade keep on without us, and we need not attempt here by this bill to make a change in them, because the result will be in this Mississippi part that we shall be only throwing away our money, not in a change, but in a futile attempt to make a change."

The gentleman would have us believe that the natural operation of railroad development is reducing the tonnage per mile to the figure stated, and that if we would only wait long enough we would have all our goods carried for nothing.

Sir, if it were not for the influence of cheap water transportation in this country, direct and indirect, the railroads would still be taking, as they have taken in the past, two-thirds of the product as the price of carrying the other one-third to market, and then standing, like Warren Hastings in India, "astonished at their own moderation."

The figures of the gentleman simply prove the influence of the great anti-monopoly highway to the sea. For its pools the railroads have no use; its stock they do not care to water. It is the one parallel line with which they can not consolidate. Statutes have been of little avail to prevent combinations for the purpose of extortion, parallel lines in violation of law, extortionate tariffs, pooling, discriminations, and the thousand other abuses practiced by these corporations, almost worse than those ills which our fathers once fled into the wilderness to avoid. It is believed that all these abuses can be better prevented by the competition of water traffic than by the enactment of statutes. By forcing down the rates of parallel railroad lines cheap water routes have forced down those of the whole country.

In 1865 at the close of the war, it is true, every ton per mile by rail cost 4.11 cents. We had but little in the way of river improvement at that time, but in 1875 much had been accomplished, and the tonnage had accordingly fallen to 2.10 cents, and in 1885, when the agricultural products of this country had begun to flow cheaply to the sea, it had been reduced to 1.28 cents per mile. In other words, as the improvement of the water ways goes up the extortionate charges of the railroads go down.

I do not intend to deal in exact statistics. This House has been wearied with the iteration of them. But I take it for granted that if the gentleman from Maine could increase the material wealth of this country by one hundred millions of dollars for every fifteen millions expended by the National Government, he would be contented to make that expenditure. The internal commerce of this country amounts to more than thirty billions annually. It is moved by the railroads and by the water courses. The cost of transportation is a mere tax, a pure burden, and its removal or reduction adds that much to the value of the product; and as you add to the value, the actual value, of the wheat or the corn or the cotton crop, you add that much to the material wealth of the country.

To illustrate this point: The internal commerce of the United States amounts to $30,000,000,000 per annum; upon $30,000,000,000 in value, if you reduce the cost of transportation 1 per cent. of the value, you increase the total wealth of the country $300,000,000 per annum. The cost has been reduced over 1 per cent. since the mouth of the Mississippi was opened to the commerce of the world.

The production of grain of all kinds in 1882 was about 2,000,000,000 bushels. With cheap transportation to the sea our foreign market will become practically unlimited, as the present production of the Mississippi Valley is a mere bagatelle compared to its amazing possibilities.

It has been computed by competent authority that with bulky articles, such as the agricultural products of this country, the ratio of cheap transportation between the Mississippi River and the railroads at their best is as 18 to 1 in favor of the cheap water route. Such is the condition when the railroads are in their best state, but the recent disorders which have occurred upon these lines indicate the necessity of including in our calculations a possibility of long interruptions of service, a lesson never more forcibly inculcated than by the present condition of affairs where labor and capital employed upon the Southwestern system are joined in an exhausting struggle "like two spent swimmers that do cling together and choke their art."

Sir, the figures which I have given represent the profits of the investment of which the gentleman from Maine complains. That profit has changed the balance of trade; it has made us a creditor instead of a debtor among nations. Previous to 1874, except in occasional years, the balance of trade was against us. In 1873 we paid to foreign countries over $119,000,000 more than we received, but since that time, except for the year 1875, the balance of trade has been in our favor, and for the year 1883 alone we have received over $100,000,000 more than we paid. This change was effected by the water route that lowered the rate on a bushel of wheat from 26.6 cents in 1872 to 14.2 cents in 1874 and 9.16 cents in 1883. These facts are known to all the world. They are imprinted on the economic history of this country and on the minds and memories of men as plainly as the signs of the zodiac appear in the heavens; and although now nearly everybody is willing to admit that "the earth do move," the gentleman from Maine wants more dividends on his investments, and ranges himself with Mrs. Partington and King Canute in a vain effort to "stop this transaction."

Mr. Chairman, the enemies of these improvements lag behind the age—they lag superfluous; the country has gone far, far beyond them. The question which they are desirous of debating has been decided, and the only question now before the people of this great country is how fast, how far, by what means and by what appliances they shall push that work to completion; and that is what the people expect of the National Legislature.

"There is the East, there is India," said Benton as he pointed toward the grain fields of the Mississippi Valley. "The discovery of America," as has been finely said, "called into existence a new world to redress the balance of the old." But, sir, while Congress halts the mercantile genius and the unlimited treasure of England have resurrected the Old World to overturn the balance of the New; and Indian wheat threatens the markets in Europe which we now hold. The competitor of the American farmer is found on the banks of the Ganges and the Bosporus, and the price of his wheat is fixed at Liverpool. I need not go into particulars with which every member of this House is familiar; it is enough to say there is a visible danger, and no cause therefor but the obstructive tactics of the enemies of cheap water transportation.

Mr. Speaker, this need is so crying and so just that it has become stereotyped in both our party platforms, and among our people it is as familiar as the precepts of the common-prayer books, and almost as sacred. It has created a literature of its own, so fine as to excel the best productions of the world on an economic question from the revival of letters until this day.

What nobler question ever engaged the attention of man than that of cheapening the bread of the world? Compared with it the tariff dispute is as empty as the crackling of thorns under the pot. In the light of the immense gain to be derived by the material interests of the country from cheap water transportation it could say both to the Illinois Cobden and to the gentleman from Pennsylvania who stands like a tower for protection to American industry, "A plague of both your houses." The profits of the Mississippi River improvement could pay the duties about which you dispute without feeling the deduction from the sum total.

Mr. Chairman, our Navy may disappear as before the breath from heaven that destroyed the Armada, our Army may be dissolved like wreaths of snow before the sun, and the country still move on in prosperity. But close the mouth of the Mississippi River and we will be a miserable insolvent and a bankrupt among nations. Sir, I shall never forget the fine comparison of Governor Winthrop, uttered from the eloquent lips of the gentleman from Massachusetts [Mr. LONG], who said that when the States became "dissevered, discordant, belligerent" the rise of the monument to the Father of his Country was stayed, but when they united again it began a second time to shoot toward the skies; and I could not help feeling the other day when I saw file round the Capitol that phantom army, relic of the Grand Army of the Republic who sleep on the brow of yonder hill, that the States, "dissevered, discordant, belligerent," had ever found in a common interest in this mighty stream a never-failing argument for Federal Union, and that in the project to cement that bond were to be found the anchors and the cables of the surest statecraft.

Mr. Chairman, I hear the voice of monopoly crying on this floor that "commerce is beyond the control of the Government of the United States;" that "commerce takes its own way," and "that way is from east to west, and by railroads."

Sir, the Government of the United States created the railroads of the country as God did the earth—out of nothing. They are the spoiled children of the Republic. We have kissed away kingdoms and provinces to them, filled their wishes to the brim with principalities, rained down gold upon them, sold them our birth-right for a mess of pottage, and the voice which echoes in the cry that I have quoted is demanding the fulfillment of that shameful bargain. It is monopoly crying behind the mask of public spirit. The voice is the voice of Jacob, but the hand is the hand of Esau.

To me it appears to be immaterial whether the internal commerce of this valley amounts to one-half or to the total of that of the whole country; whether the amount of money expended by the National Government on improving the water ways of the valley is equal to one-half, to one-fourth, or to any portion of that to which they are entitled; whether this is the granary of the world or whether it is a desert, that opposition which springs from a well-defined interest sets its face against these improvements as a rock against a storm. I say that it is this interest we have to meet and to do battle with and to overcome.

I do not believe that the people of this great valley use their political power as they should use it. I do not believe that they hold to responsibility the men who should be devoted to their interests. It seems to me that every man, no matter for what cause, who finds it is necessary to antagonize those interests should see above his head, erect and

frowning, the tutelary genius of the Mississippi Valley with her hand upon the wheel of his political fortune until the sight has terrified him into submission.

Mr. Chairman, if the monopolies of this country continue to stand in the way of this improvement they will light such a flame of indignation throughout the length and breadth of that great valley as will consume their franchises like the stubble in the field.

Mr. Chairman, if the end we have in view in pushing to completion the improvement of the water courses of this country is accomplished we shall see no longer the very creatures of the people going among their creators like Persian despots and demanding earth and water of every legitimate enterprise as the price of life; we shall hear again the doctrine that corporations are the servants of the people—a doctrine which will sound to the American people as there sounds to a stranger in a far-off land the dimly remembered accents of his mother tongue.

Remove Unnecessary Pilotage Fees from American Coastwise Sailing Vessels.

SPEECH

OF

HON. NELSON DINGLEY, JR.,

OF MAINE,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 15, 1886.

The House being in Committee of the Whole on the state of the Union on the bill (H. R. 7480) making appropriations for improvement of rivers and harbors—

Mr. DINGLEY said:

Mr. CHAIRMAN: The large expenditures authorized by the pending and previous river and harbor bills and by the bills annually passed for the erection of light-houses and the placing of buoys at the entrance of our harbors ought to relieve American vessels from the burdensome compulsory pilotage fees imposed at a time when our harbors were neither improved nor marked. The Committee on Shipping have reported a pilotage bill which ought to be passed. This bill simply places American sailing vessels engaged in the coastwise trade (which includes the great lakes and all the internal waters of the United States, as well as the Atlantic, Pacific, and Gulf ports), on the same basis as to pilotage that American steam-vessels in this trade have been placed since 1852.

The justice and necessity of removing the discrimination which eleven States are now permitted to make against American sailing vessels will be recognized when the facts are understood. Pilotage, as an instrumentality of commerce, is under the control of Crongress. The first Congress which assembled after the formation of the Constitution, being pressed by multiplicity of duties, enacted that "until further provision" by that body pilots shall continue to be regulated by State laws. The necessity for a more uniform pilotage system became so apparent as our merchant marine increased and interstate communication by water developed that in 1852 Congress took up the subject and enacted a national pilotage law for American steam-vessels in the coastwise trade.

This law provided for the establishment of inspection districts throughout the United States, each covering the ports of a single State wherever these ports were within reasonable distance of each other, with a board of United States inspectors for each district. These district inspectors were authorized to examine and license the masters or mates of coastwise steam-vessels, to pilot their vessels into and out of the ports of such district, when such officers were found competent, and exempted the vessel so piloted from the obligation to pay a second pilot under State authority when the services of such State pilots were not employed, an exemption made necessary by the fact that the pilotage laws of many States compelled every vessel to pay State pilots, whether used or not.

This law was confined to steam-vessels, because on account of the opposition of the influential State pilotage associations it was found impossible at that time to also include sailing vessels. Even as it was the pilots strenuously insisted that the law would destroy the efficiency of pilotage and ruin their business. This law, covering steam-vessels, has been in force thirty-four years. It has proved of incalculable service to the country; has done much to promote the interests of the steam marine of the country, and has afforded more efficient pilotage than ever before. No voice is anywhere raised for its repeal. While it has rendered the services of a smaller number of State pilots necessary, yet those pilots whose services were not needed in their former employment have found kindred employment on steamships or tugs. A demand has still existed for State pilots for vessels in the foreign trade, and this demand has been abundantly supplied.

The great success of this national system of pilotage for coastwise steam-vessels induced those States which had considerable tonnage to inaugurate the policy of also relieving American coastwise sailing vessels entering or leaving their ports from the obligation to pay a State pilot whose services were declined. All the States bordering on the great lakes, namely, Vermont, New York, Pennsylvania, Ohio, Michigan, Indiana, Illinois, and Wisconsin, have relieved sailing vessels from the obligation to pay State pilots whose services were not used, the national act of 1852 having done this for steam-vessels. Maine, New Hampshire, Massachusetts, Rhode Island, New York, New Jersey, and Delaware, and Connecticut and Pennsylvania in part, on the Atlantic coast, and California, Oregon, and Washington Territory, on the Pacific coast, have also similarly relieved sailing vessels in the coastwise trade.

Thus, as there are no sailing vessels on the waters of the ten interior States, all their marine being steam-vessels, all the coastwise sailing as well as steam vessels of twenty-seven States of the Union are relieved from the unjust burden of paying pilots whom they do not use. But eleven States, to wit, Maryland, Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, and Texas, with Pennsylvania in part, while obliged by United States laws to relieve coasting steamers, still insist on compelling coastwise sailing vessels to pay fees to State pilots, when these vessels are piloted by their own masters or are towed by a steam-tug under the charge of a United States pilot.

This bill simply puts American coastwise sailing vessels entering and leaving the ports of these eleven States on the same basis as to pilotage as steam-vessels, and on the same basis as coastwise sailing vessels in the other twenty-seven States of the Union.

It removes a discrimination against our sailing vessels in the ports of eleven States which Congress can not in justice allow to continue. Coastwise steam-vessels can enter and leave any port in the Union without being compelled to pay a State pilot whose services are not used. Coastwise sailing vessels owned in Maryland and nine other Southern Atlantic and Gulf States may also enter the ports of either of the other States without being obliged to pay a pilot whose services are not employed; but a sailing vessel owned in Maine, or in either of the twenty-seven States referred to, can not enter the ports of the ten States named without paying fees to State pilots not used. Though such vessels are piloted by their own masters or mates, or towed by a steam-tug under the charge of a United States pilot, yet in entering and leaving the ports of thirteen States they are required to pay these unused State pilots.

The peculiar injustice of the pilotage laws of these States, which this bill, if it becomes a law, will place on the same basis as other States, is illustrated by the following statement of the master of a Maine vessel which recently visited Savannah and Charleston. The master writes:

I was bound from Boston to Savannah, Ga. We arrived off Savannah bar February 18, 1884; was spoken 10 miles NE. of bar and compelled to take a pilot. On arriving within 5 miles of bar was spoken by tug (wind light and ahead). This tug put us at our dock for $45. Now, our pilotage was $67.55, and the pilot on board of us was of no advantage, as we had only to follow the tug. On leaving Savannah for Charleston, in ballast, our pilotage was $21.60—another sum thrown away, as we had a tug that took us to sea for $20. I am now ready to leave Charleston and find myself obliged to pay a pilot $67 more, as I dare not risk crossing the bar without a tug. This is also unnecessary expense. I have a tug engaged that will take us to sea for $35. This makes our pilotage, which we did not need nor use, on this trip alone, 5 per cent. of our gross stock, and at rate of freights at the present time vessels can not stand such exorbitant charges. Hoping that attempts for our relief may prove successful,

I remain, respectfully, yours,

W. C. THOMPSON,
Round Pond, Lincoln County, Maine,
Master of schooner Jonathan Bourne.

The Commerce Committee of the House of Representatives of the Forty-fourth Congress, after a careful examination of the subject of pilotage, presented an able and well-considered report, drawn by Hon. H. L. Pierce, of Massachusetts, in which they said:

One witness who appeared before your committee stated that he represented twenty-three vessels, which made about seven hundred passages in the course of a year; they had never taken a pilot and had never yet sustained damages to the extent of a hundred dollars. The captains, he said were much more competent to handle the vessel than the pilots, for the reason that, while possessing an equal familiarity with the channels and harbors which they frequented, they had a better knowledge than the pilots could have as to the working of the vessels.

It is stated that the average capacity of vessels engaged in the coastwise trade is about 350 tons. On that basis the charges for pilotage would be from $20 to $45 each time a vessel enters or leaves a harbor. It is a tax which, in the present depressed condition of the shipping interests, bears heavily upon a class of people who are specially deserving of consideration and encouragement; and it is sufficient in many cases to change the adventure from one furnishing a moderate return to one in which there is a positive loss. Two statements of actual voyages by coasting vessels are appended, showing the amount paid for pilot fees. In the case of the schooner E. T. Cottinghan, with a cargo of coal, from Philadelphia to Savannah, and a cargo of lumber from Jacksonville to Baltimore, the pilot fees amounted to 8¾ per cent. of the total amount received for freight. On that voyage the captain lost $100 over and above his share of the freight.

Inasmuch as the ten Southern States which retain such oppressive pilotage laws have very few sailing vessels, it seems probable that because of the slight local interest in a merchant marine the pilots are allowed to dictate the State pilotage laws solely in their interest. The sail tonnage of the United States is 2,331,970 tons, of which only 214,345 tons is owned in the ten States that alone maintain laws compelling all coastwise sailing vessels, piloted by their own masters or

towed by a steam-tug under the charge of a United States pilot, to pay a second and unused pilot under State authority.

Some of these States, notably Georgia, exempt from the payment of compulsory pilotage fees vessels trading between the ports of such State, but impose this burden on vessels trading between the ports of such State and the ports of other States. It is time that Congress should put an end to such discriminations in a matter under Federal control and place all American vessels in the coastwise trade, whether sail or steam, on the same basis as to pilotage in every State of the Union.

What objections are urged to a measure of so evident justice? I will allow the pilots, who maintain a close and powerful association to maintain laws in their interest and who appeared personally and by attorney to oppose this bill, to answer for themselves. In a circular sent to labor organizations the New York Pilots' Association says:

> It is for the protection of vessels * * * that the [pilot] service must be maintained, and that is impossible if every master of a vessel is left free to take or reject the pilot. * * * The bill is in the interest of foreign vessels. * * * We would ask you, Is the interest of foreign steamship companies to be considered by the legislative power of America before the "life, liberty, and the pursuit of happiness" of those who are American citizens? * * * In the name of fraternity we ask you for sympathy in our effort to maintain the integrity and dignity of our trade and calling. * * * We request all our brothers to use their influence on all present members of Congress and all aspiring candidates, and induce them to pledge themselves to oppose the present pilot bill and all future bills.

As this circular was generally sent to labor organizations in sections of the country unfamiliar with the subject, it is not surprising that some of these bodies were misled into taking action in opposition to the bill. It is suggestive that not a single labor organization in which seafaring men were members raised its voice against the bill. Some which at first took action against it rescinded their vote on ascertaining the facts. And undoubtedly all would do so on a full understanding of the situation, for a fundamental idea of all such organizations is opposition to monopoly by law, which is the essence of the compulsory pilot-fee system.

I call the attention of the House to the misleading character of the circular sent out by the New York pilots. The circular charges that "the bill is in the interest of foreign vessels." It does not affect a single foreign vessel, but leaves such vessels to be regulated by existing laws. It simply relieves American coastwise sailing vessels and the masters, mates, and seamen who sail them.

The circular presents the picture of a pilot boarding a vessel, and asks if men who brave the dangers of the ocean in such service ought not to be considered by Congress, and protected in their hazardous calling. But are not the masters, mates, and seamen who sail our vessels, and who are almost constantly exposed to the buffetings of the deep, entitled to as much consideration as the pilots who are far less exposed? These hardy seamen are not supported by laws which compel any one to pay them for services not rendered. Why should the pilots alone be favored with such legislation? The workingmen of the country have no laws compelling men to pay them wages when they do not perform services. Why should the pilots ask workingmen to aid in maintaining laws compelling seafaring men to pay for pilotage they do not use?

They circulate appeals for help "to maintain the integrity and dignity" of pilotage by compelling vessels to pay pilots when they are not used. But other people maintain "the integrity and dignity" of their business by obtaining pay only when they perform a service. Why do the pilots seek for legislation which no workingman ever thought of in his own case?

The circular conveys the impression that the New York pilots are wage-workers who need laws enforcing the payment of fees by those who do not use them, in order to exist. The report of their earnings for the past year show that one hundred and thirty-three New York pilots earned last year $378,763 in fees, nearly $3,000 each. Even after deducting their own estimates for expenses, profit on capital invested, &c., there remained $1,435, or nearly $5 per day, to each pilot for personal services, besides the profit of their capital. And no one can get into this favored class except by appointment of a board of commissioners, consisting of three persons appointed by the Chamber of Commerce and two by the marine insurance companies. For such a close monopoly as the New York Pilots' Association to appeal to wage-workers receiving an average of $1.50 per day for sympathy and support in maintaining laws in their interest such as no wage-worker ever dreamed of for himself, is a strange proceeding. There is not a seaman, not a mate, not a master of a vessel, not one of the well-nigh impoverished owners of our coasters, who has earned from his venture on the ocean the past year as much as the average New York pilot that appeals to labor organizations "to influence members of Congress and aspiring candidates and pledge them" to favor laws which compel the impoverished masters and owners of coasters to pay pilots for services they do not need nor use.

The circular alleges that unless the laws compel all vessels to pay fees to State pilots "the pilot service can not be maintained," and vessels and lives will cease to have proper protection. It would seem as if the owners of American vessels and the masters, mates, and seamen, who have their own property and lives at stake, ought to be judges of what is best for them. If they are satisfied that they can pilot their own vessels and that exemption from the payment of pilots whom they do not use will not detract from the efficiency of their pilotage service, why need the pilots trouble themselves?

All experience shows that where any service is demanded or needed the supply is sure to follow. This is the principle on which all other business is successfully carried on; and why not pilotage? Skillful physicians are as necessary to the health of a community as pilots to the security of navigation. But no one comes forward as the pilots do and argues for a law to compel well persons to pay fees to physicians on the plea that this is necessary to maintain an efficient medical corps. The demand for medical services for the sick insures a sufficient supply of skillful physicians. So the demand for pilotage by foreign vessels and vessels in the foreign trade, and by such coastwise vessels as need other pilot service than their own masters, will secure a sufficient supply of skillful pilots.

But we can appeal to experience in this matter of pilotage. In 1852, when Congress passed the law relieving coastwise steam-vessels from the obligation to pay State pilots not used, it was predicted that this would destroy the pilotage system, but it has done nothing of the kind. It has made fewer pilots necessary, but a sufficient number of skillful pilots are always ready to meet the demand. When Maine, Massachusetts, and all the other Northern States bordering on the Atlantic and Pacific and the great lakes abolished their laws requiring coastwise sailing vessels to pay fees to pilots not used, the pilots contended that it would destroy the pilotage system and increase shipwrecks; but the result has been far otherwise. In not one of these States has the efficiency of pilotage been diminished or shipwrecks increased. The assertion of the pilots that it is impossible to maintain an efficient pilotage system if masters of coastwise sailing vessels are left free to take and pay a pilot or not, is disproved by the fact that every State in the Union but eleven has done this without impairing in the least the efficiency of their pilotage. Indeed, the result has been to increase the efficiency of the pilotage system by rendering it necessary for pilots to seek vessels as far out at sea as possible in order to secure employment, whereas, under the system of compulsory fees the pay is secured without service.

It is contended that the ten Southern States, whose laws still maintain compulsory pilotage fees, have not sufficient foreign trade to maintain pilots if coastwise sailing vessels are exempted. The facts prove otherwise. Maine and New Hampshire, which have abolished compulsory pilotage fees as to all vessels, and Rhode Island, New Jersey, and Delaware, which have abolished compulsory fees as to all coastwise vessels, have less foreign trade than any Southern Atlantic or Gulf State; and yet their pilotage systems are as efficient as those of any other States.

Much has been made by the pilots of the fact that the New York marine insurance companies have in the past protested against the change proposed in pilotage. But when it is borne in mind that these insurance companies are officially connected with the pilot commissioners their protest becomes of little value, especially when these same New York companies insure a vessel trading with ports which have abolished compulsory pilot fees as cheaply as they do vessels trading with ports making the fees compulsory. The fact that all the Boston marine insurance companies, located at a port where the system proposed by this bill has been tried for many years, unite in a petition for the passage of this measure is a sufficient answer to all suggestions that the system proposed will in any manner lessen the protection to vessels.

Indeed, it should be observed that this bill does not take away from any coastwise sailing vessel any existing obligation to secure competent pilotage. It simply authorizes the licensing of a master or mate to pilot his own sailing vessel where he is found competent to do so (just as the master of a steam-vessel may), and exempts a coastwise vessel so piloted and one towed by a steam-tug under the charge of a United States pilot from the obligation to pay a second pilot under State authority when he is not needed nor used.

There is nothing in the conditions surrounding sailing vessels in the coastwise trade which justifies withholding from them the pilotage privileges granted to steam-vessels in the same trade. If any preference should be given it ought to be extended to our coasting sailing vessels, for they are generally owned by individuals of small means and are much smaller than the steam-vessels in the same trade and therefore much better able to enter and leave our ports with the pilotage of their own licensed masters when the wind and tide are favorable, or under the tow of a steam-tug in charge of a United States pilot when the conditions are unfavorable. It should be remembered also that the same inspection board which successfully examines and licenses the master or mate of a steam-vessel carrying passengers to pilot his own craft in the ports of such district is equally competent to examine and license the master or mate of a sailing vessel which carries no passengers.

The suggestion has been made that it is unwise to modify a system of compulsory pilotage fees which has been so long in force for presumably good reasons. But it should be borne in mind that a change in pilotage has been going on until now compulsory fees as to coastwise steam-vessels have been abolished by Congress in all the States of the Union, and as to coastwise sailing vessels in twenty-seven States of the Union. The rule is voluntary fees; the exception in only eleven States of the Union is compulsory fees, and that only as to sailing vessels. Is it not time that the same rule as to pilotage fees as an instrumentality

of commerce should prevail for all the States? Over thirty years ago England abolished compulsory pilotage fees as to vessels in her coastwise trade.

Presumably this change from compulsory to voluntary pilotage fees where a vessel is piloted by its own licensed master or by a steam-tug under the charge of a licensed United States pilot has been made for substantial reasons. When the First Congress met under the Constitution few of our harbors were marked, and there was a necessity for guidance of every vessel by local pilots which does not now exist. Millions of dollars have been expended by the Government in improving our harbors, erecting light-houses and monuments, placing buoys and fog-bells, deepening channels, surveying harbors, and publishing charts, until now the masters or mates of any of our small coasting vessels can enter and leave the ports which they are accustomed to visit as safely as any local pilot. If they are found competent by United States inspectors to pilot their own vessels, or if they enter or leave a harbor by means of a steam-tug under the charge of a United States pilot—as three-fourths of our coastwise sailing vessels do—why should they be obliged to pay a second pilot under State authority whom they do not use?

Mr. Chairman, the justice of this bill is so evident that there ought to be no hesitation in passing it. It is asked for by the vessel-owners, masters, mates, and seamen of the country. From all parts of the country where shipping is owned to any considerable extent there have come up petitions for its passage. It was recommended by the House Shipping Committee of the Forty-eighth Congress. It was recommended by the late Secretary Folger, who said in a letter dated December 26, 1883:

Inasmuch as the bill puts sailing vessels of the United States upon the same footing, as regards pilots, as steam vessels of the United States, I approve of the bill. There is no reasonable ground for discriminating against sail vessels in the matter of pilotage by conceding greater privileges to steam vessels.

It is recommended by the Bureau of Navigation. It is recommended by the shipping committee of the present House.

More than a million of dollars was paid by our shipping in the last fiscal year for pilotage, much of it unnecessarily. This is the heaviest burden remaining on our merchant marine. In seeking measures to encourage and revive our shipping interests, we shall fail to do what is within our reach if we refuse to give our coastwise tonnage the relief offered by this bill.

Rivers and Harbors.

REMARKS

OF

HON. JOHN A. SWOPE,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 15, 1886,

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. SWOPE said:

Mr. CHAIRMAN: It is not the province of this Government to interfere in the business of any individual, and by its paternal aid to help him conduct it. Nor, as I regard it, is it any part of its duty to assist any number of people of any particular locality to cheap transportation when it is done at the expense of many who have no special interest in it, except to pay their share of the expense.

Mr. Chairman, I am of the opinion that it is a monstrous perversion of the provisions of the Constitution to pry around mountain rivulets and sluggish lagoons to ascertain whether they contain a sufficiency of water to entitle them to an application of this much-abused clause. I fail to see any special virtue in water in such small quantity that it requires a dam to collect it in sufficient quantity to float a flat-boat, and then leave the question in doubt as to whether it was worth a dam. I believe that water has a special virtue in church ordinances for purposes of baptism or immersion. I concede that it has special properties when judiciously mixed with the staple product of Kentucky—say in the proportion of half and half. But I utterly fail to see why there is anything in the composition of the aqueous fluid that takes it out of the category and gives it special properties and attributes of its own. I can readily understand why the important harbors of the country should be fitted for the commerce which comes to them either for refuge or to unload the commodities brought there from other countries. I can also see, though not so readily, that certain rivers which drain a continent, or others which flow through many States, should be put in navigable order at the public expense. But to prospect around to find a stream on which through some pretext a certain amount of the public money can be expended is entirely outside of public policy and against the general welfare.

The first step in the process seems to be to discover the water, and the next to get an engineer's report thereon. Now, put a thoroughly trained and well-equipped engineer to work to make a report on any stream whatever and you may rely upon it that he, with the aid of those interested in that particular locality, will make a very readable report thereon and demonstrate the entire feasibility and absolute necessity of the improvement. The problem is not so difficult as it might seem, for given a few inches of water measured at the flood, with timber fitted for the saw-mill and an undergrowth of scrub suitable for hoop poles and barrel staves, and the necessity for the improvement is absolutely and beyond all peradventure clearly demonstrated.

When you add to all this wealth lying unused for the want of a water way to the sea the immense and almost incomprehensible production of eggs and butter, the former of which become addled and only fit for hotel use scrambled, and the latter rancid, and all because of the want of facilities for transportation, the absolute necessity for the improvement becomes at once apparent. It seems hard indeed that that particular outlying part of creation should any longer be allowed to pine and languish on account of the niggardly refusal of Congress to appropriate a few thousand or a few million dollars. The reports of engineers, which fill several ponderous volumes, are a study which will richly repay a close examination on a rainy day at an outlying railroad station in the absence of the weekly newspaper, the Shorter Catechism, or Baxter's Saint's Rest.

It is interesting to observe the cautious and extremely prudent manner in which the adventurous engineer approaches the intricate survey, the exactness with which he designates the depths of water at 8 inches at low water which develops into a roaring flood of 4 feet 2½ inches after a two-weeks rain, and the demonstrable certainty that if this superabundance could be held in absolutely water-tight dams and dealt out economically the needs of a prostrate commerce could be subserved and the waning prospects of the member from the district promoted. Commerce in those far-off regions could be still further promoted by the payment of a liberal subsidy to flatboats and dugouts carrying the United States mail.

I quote a few extracts from an engineer's report which one could scarcely believe to be in solid earnest did they not appear in good company among the valuable collection of reports. Speaking of a certain river, which shall be nameless lest a full knowledge of its extraordinary merits should at once entitle it to a first place among the big rivers of the country with a corresponding increase of appropriation, he says:

Its course is tortuous, as is shown by the fact that the distance is 54 miles in a straight line and 100 miles by the windings of the stream.

Evidently, Mr. Chairman, there is nothing mean about that stream; it gives good measure as to length, but not "running over," as will appear farther on in the report:

The pools vary in depth from 3 to 10 feet and are separated by shoals of cobble-stones and gravel, on which there has been at low seasons a depth of but a few inches of water.

Could a stronger appeal than this be made to the tender sensibilities and sympathetic feelings of this House? Think of it, Mr. Chairman, so vast in its beginnings and reduced probably by its own liberality in the way of length and by cobble-stones to the low ebb of a few inches of water!

The approved project of improvements has been the removal of rocks, snags, overhanging trees, &c., and the cutting of narrow sluices.

We are then told that the principal interests to be served are those of lumbering, but also much country produce is carried down in small boats. The cost of the improvement is estimated at the insignificant sum of $100,000. O great and roaring Kanawha! O shade of the mighty Kiskiminetas! So small a sum for so great a river!

In the report on another river the navigation is represented as being "tortuous and dangerous." As it is proposed to deepen the channel to two feet it is easy to understand how the navigation of this river on foot should be described as "dangerous," for it is apparent that if any one were to attempt to cross it with low-cut overshoes there would be serious danger of wet feet, with all the evils resulting therefrom, even to the total wreck of the constitution. Mr. Chairman, the whole business of improving these so-called navigable rivers would seem like a huge jest were it not that it has been seriously proposed in this House to expend millions of the people's money on just such projects.

The key-note to the situation is given by the repeated and ever-recurring attempts to have the appropriations increased in almost every instance where the river runs through a member's own district. Evidently the idea is that it will be water on his mill, however scarce it may be for all purposes of navigation. But, sir, the eyes of the taxpayers of the country are well open to the iniquity of this bill. They will not submit patiently to such a monstrous perversion of the true intent and meaning of that clause of the Constitution authorizing, or rather intimating, the right for Congress to spend money in this direction. Nor does the evil end with the useless expenditure of large sums of the people's money.

Aside from the evils always resulting from profligate expenditure there remains the certainty that sooner or later the Treasury of the country will be emptied and the pretext afforded for further taxation, and the encouragement of monopolies which have already consumed the life-

blood of the people. The sword is double-edged and cuts both ways. It proposes, in connection with other projects of like character, to exhaust the so-called surplus and to create the necessity for a recurrence to war tariff and war taxation, or at the very best to fasten the present incubus firmly upon our shoulders. And this it is proposed to do in the name of and in the interest of the laborer. Every measure involving expenditure is claimed to be chiefly in the line of his interests and his prosperity, and to be in opposition to railroad monopoly, and the name of the great Architect of the universe has been appealed to to prove that the highways created by His hands could never be perverted to the base uses of human greed.

But, sir, though the water ways may be free to all, how long would it be before their navigation would fall into the hands of the worst kind of monopolists in the shape of navigation companies with capital large enough to relegate to the back-waters all the flatboats, scows, and dugouts in the country. Capital and combination are alike powerful on the water as on the land, and will make their influence felt everywhere, alike in the bowels of the earth as on its surface; on the "deep resounding sea" or on the placid bosom of an inland lake, ay, even on that poetic dream of the imagination, that Miltonian creation of the bard whose "eyes in fine frenzy rolling" beheld a Hennepin. You can not get away from their influence. They are all-persuading and all-powerful.

When these improvements have been completed, when the dams hold every drop of the precious fluid except that which is parsimoniously dealt out through locks duly made and provided as per plan and specification, it is to be supposed that the work is completed and the dwellers upon the shores of the loud-resounding sea can rest in peaceful content, satisfied that their products can now be shipped to the remotest bounds of the earth. But lay not this flattering unction to your souls. River and harbor bills contain a clause for continuing improvements, which means, being interpreted, that when once a work of this kind is begun it must be continued *ad infinitum*. The more money that is spent the stronger reason why more should go in the same direction. A river once down in the bill for an appropriation is sure to make its annual appearance thereafter.

The gentleman from Missouri in pressing upon the attention of this House the superior claims of his special river for a large addition to the amount allowed by the committee, urged as in argument the vast number of bushels of corn, I think he said 413,000,000, and said that at home it brought only 19 cents, while in New York it was selling for 40 cents; claimed that the difference was paid to railroad companies in extortionate freight charges. Land is comparatively cheap in that country, the soil fertile, and the expense of growing a crop so small that Eastern farmers, even adding the freight, which the gentleman calls extortionate, are no longer able to compete with their Western brethren.

The extortion they claim is on them, and that living near to market they are assessed by the railroad companies and compelled to help pay the freight of farmers shipping great distances. For instance, the cost of shipping a barrel of flour from my place, which is within 50 miles of tide water, is just as high, or I believe a little higher, than it is from Chicago, which is 850 miles from the same tide-water point. So that, in my opinion, the argument works altogether in the other direction. The people in my section of the country ought not to be asked to help cheapen the freight of their competitors. It is too much like kissing the rod that scourges them.

Mr. Chairman, in this as in all other respects, every branch of industry, whether it be agriculture or manufactures, should stand on its own basis and let the fittest survive. In the East proximity to market should be an offset to dearness of land and increased cost of cultivation. In the West, on the contrary, increased freights are more than made up by the cheapness of the land, its unexhausted fertility and other advantages so apparent that they suggest themselves to every mind, and in fact account for the astonishing growth in population, and I may add in wealth, of that land of Goshen, flowing with milk and honey. I submit that the equitable way to reduce the freights is to move a thousand or fifteen hundred miles nearer to the markets of the world or else to wait patiently until they have a market at home which will surely save them the abhorred necessity of paying freight.

It may be out of place in the discussion of a bill of this character to say a good word for the railroads. It has, I think, been too much the fashion to hold them up as horrible and terrible monsters of insatiate greed, which swallow whole provinces, and, like Smike in Dotheboys Hall, still cry for more. And yet our almost miraculous growth in population and in wealth is due largely to them. Villages, towns, and cities have sprung up like magic wherever they have extended, and without their aid many of the flourishing States now represented on this floor would at this day remain almost unknown and their praises unsung or unspoken here.

But it is claimed that we want river navigation to act as a check on railroads, and the whole country is asked this year to contribute $15,000,000 to establish this check, and will be asked to pay millions more every year to keep in good working order the old checks and to establish new in the shape of canals where there is no sign of their having been attempted by nature; or as it has been put on this floor, by an overruling and beneficent Providence as a check on railroad monopoly. And I suppose that it is this idea which has led so many to attribute the special and peculiar property to water already alluded to. On any other theory I fail to see why the Government for the reasons assigned should not also be asked to build railroads and run them free.

Think of it, Mr. Chairman, a railroad to every Congressional district in the land, with free passes not only to the member but to each and every one of his happy constituents! But this would be the millennium of transportation, and in the mean while we must be content to be benevolent in spots and streaks and restrict our benevolence to those who, as it were, have been sanctified by water.

The fight between river transportation and railroad is an unequal one, and in my opinion sooner or later will end in the victory of the latter. The engineer's estimates and the amount carried in this bill indicate that the contest can not be continued for many years at the cost and charges of a large portion of the tax-payers of this country who have no direct interest in it. The work requires to be constantly renewed at an ever-recurring cost, and when it has been completed a single spring flood may undo the whole of it and render a new plan, new estimates, and renewed discussion here necessary; and so the matter goes on *ad infinitum*.

As already stated, I am not opposed to the expenditure of a reasonable amount of money in the direction indicated in this bill, but not a cent should go with my consent to rivers which are so only in name, and whose improvement serves only limited and local interests. Neither am I willing to expend vast sums—and they are vast when compared with the results which have been thus far attained—on uncertain improvements, whose merit can not be demonstrated by any actual and practical results. The problem of the improvement of the Lower Mississippi is one of the most uncertain, least understood, and most problematical of any on this bill The experiment is costly in the extreme, and the results so uncertain that a return for the money invested in this is about as improbable as it would be to cast it into the rushing flood, and then to dredge for its recovery from the source to the mouth of the great river.

Before I close, Mr. Chairman, I wish to repeat so plainly that it can not be misunderstood, that I do not object to the improvement of rivers whose claims to recognition as national water ways are, and have been for years, fully recognized. But even in the improvement of these we should "hasten slowly" on well-matured plans cautiously tested at every step. In short, we should act precisely like every prudent business man does in the enterprises in which he embarks his own funds. We should ascertain what it is that we desire to accomplish, what its cost, and see well to it that we are not drawn unconsciously into expenditure undreamed of at the start. Let us not follow in the footsteps of the well-intentioned spendthrift who, having an inherited income to spend, proceeds to scatter it lavishly among all who ask a share of his patrimony. He may every now and then help the meritorious, but the bulk of his estate will be yielded to the clamorous importunity of the undeserving.

I do not entertain a doubt but that the Committee on Rivers and Harbors have given this bill their closest scrutiny and that they have kept out of it everything that in their opinion should have no place in it. But it has nevertheless grown to the vast sum of fifteen millions or more. If that large amount were expended in strictest accordance with the requirements of the bill I very much doubt whether river navigation would be largely benefited thereby. The mistake is in endeavoring to do too much in the attempt to comply with the idea prevalent here, and frequently hinted at on this floor, that the amount carried by the bill should be divided as evenly as possible among the different sections and States.

This is a grave error, impossible to be practically carried out. That theory of expenditure would be a serious hardship to those districts which, while they may be required to pay their full share of the cost, have not a sufficiency of water within their borders to entitle them to the benediction of the committee and a place on the bill. Mr. Chairman, after many days of tedious debate we reached on Friday evening a portion of the bill in which I, for one, thought there would be plain sailing to the end of the voyage and our deferred dinners. No hidden rocks nor treacherous quicksands, no caving levees nor dangerous snags were longer to be dreaded or avoided by amendments. Mistaken confidence!

That portion of the bill simply requested the Secretary of War, in the exercise of his own discretion, to have certain rivers surveyed, and these seemed to be pretty evenly divided among various States. While I suppose everybody felt assured that the good judgment of the Secretary would induce him to let the most of them severely alone, and without the advertisement of an engineer's report, yet still a flood of amendments straightway poured in upon the exhausted clerk. It was proposed to add to the list, among many others, "Cassity Bayou," "Noxubee River," to "ascertain whether it could be made continuously navigable by a system of locks and dams." This last was amended by inserting after the word "dam" or "otherwise."

This last amendment, Mr. Chairman, seems to me to open a wide field for speculation. If a dam will not do the business and close it up satisfactorily, then what will be the potency of the "otherwise?"

Will it be constitutional and will it be in strict compliance with the requirements of the Christian religion? These numerous amendments so freely offered and so readily accepted reminded me forcibly of commencement day at a school which I attended in my youth. On that eventful day premiums were pretty lavishly distributed. We had first premiums and second premiums and premiums *ex æquo*, which were neither first nor second, but had the merit of including a good many boys in its comprehensive grade. In addition we had what was termed "honorable mention." This last grade included about all the boys in the school "not otherwise provided for." When well-mouthed and *ore rotundo* it sounded well and pleased the anxious parents and interested friends. This is, I suppose, pretty much the state of the case with respect to some of these forlorn rivers with the hard names. They come in for "honorable mention," and their names on the bill will please the people who dwell upon their banks.

It will be observed, Mr. Chairman, that during these remarks I have not referred to statistics nor quoted figures, nor asked to have them published in the RECORD. There was a period in my life when I, too, thought that figures could not lie, and when I had an immense respect for statistics. But one of the reports issued by the Reading Railroad Company (previous to its becoming insolvent and going into the hands of a receiver), utterly and forever destroyed my faith in that kind of mathematics which goes to the making of a report. Sir, they are a delusion and a snare for unwary feet. Nothing can be made to lie like figures when ingeniously handed.

I do not, Mr. Chairman, claim the sole merit of this discovery. The unreliabflity of balance sheets was discovered years ago by a Scotch merchant, whose confidential book-keeper led him into unwarranted expenditure by simply adding the year of our Lord to the credit side of the year's accounts. There may, however, be an honest difference of opinion as to the value of statistics and "books of estimates" and "reports," and recognizing the possibility of this, I with the kindest motives, but with great misgivings as to the effect on their mental and physical health, respectfully refer the members of this committee to the statistics as printed in the RECORD during the progress of this debate, and I advise them in the language of Captain Cuttle, "when found to turn down the page and make a note of it."

The exceeding gravity of that subject might seem to demand a more ponderous treatment than I have thought proper to accord it. Undoubtedly, sir, it is a weighty and exceedingly difficult problem—one concerning which a great diversity of opinion exists at present and the difference will become greater from year to year in exact proportion as the scope of the bill is attempted to be widened and its provisions enlarged. The "other purposes" of the bill may mean a crevasse, small in its beginning, but ever widening until a river pours through in a flood and devastates the country. Let it be our effort to close these dangerous and wasteful openings in the levees which have been erected for our protection, and let us substitute for them flood-gates, if you will, which will be controlled by the needs of commerce and regulated by the necessities of the people.

Rivers and Harbors.

SPEECH

OF

HON. PRESLEY T. GLASS,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 15, 1886.

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. GLASS said:

Mr. CHAIRMAN: Fifteen millions of dollars is a large sum to be appropriated for the improvement of our rivers and harbors. Yet when it is considered that there was no appropriation made for this purpose by the Forty-eighth Congress, and this is an appropriation for two years, it will appear to be quite reasonable. Production, distribution, and exchange are the three great economic questions that address themselves to us as legislators, and we should meet them in a broad and liberal spirit. No parsimonious policy will ever secure to us the highest development of our industrial pursuits. Of all the world's great arteries of commerce none bear upon their bosom a tonnage equal to that carried upon the Mississippi and its tributaries.

The navigable streams of this system of rivers have a mileage of 15,640, there being forty-three that have been declared navigable, draining twenty-one States and Territories, and the twenty-one States and Territories contain 51 per cent. of the nation's area, and 58 per cent. of the population—the most productive country of equal area on the face of the globe. And it is to this great valley of unsurpassed fertility that the country must look in all time to come for its meats, its breadstuffs, and its clothing. It is the duty of our Government to take hold of these great thoroughfares provided by nature, and so utilize and improve them as to put them in the best condition for the safe and cheap transportation of the products of the country to market, especially the farm products, that are always bulky and heavy in proportion to their value. Much the larger portion of these farm products must have cheap transportation, or their values will be consumed in the charges it takes to get them to the market. They are compelled to seek distant markets, and furnish more than 75 per cent. of our foreign exports. How important, then, that they should have cheap outlets to the ocean.

The jetties at the mouth of the Mississippi have already proved a success, and constitute the grandest achievement of hydraulic engineering of this age. Prior to their construction there had passed out through the mouths of the Mississippi River about 4,400,000 bushels of wheat. Since that time there have gone out more than 48,700,000 bushels. Continue this and other proper improvements all the way to Cairo and along the forty-three tributaries, giving to the farmers and manufacturers and miners the free navigation to the Gulf, and when in the course of time the isthmus shall be canalled by private enterprise, the Gulf will become the western Mediterranean and the commerce of the world will be focused upon it. And as commerce upon the ocean had its birth upon the ancient Mediterranean, it is destined to reach its highest development and greatest magnitude in this our western Mediterranean.

Invention, discovery, and the developments of science have directed the attention of the world to our progress and rapid accumulation of wealth. And the time is not far distant when the commerce of the world will pass through the Gulf of Mexico and be distributed from that point to every civilized quarter of the globe. When Vasco Da Gama discovered a new route from the Mediterranean to the East, by way of the paths of the ocean, he revolutionized the trade and commerce of the East and concentrated commerce upon the Mediterranean; and so will the commerce, not of the East alone but of the world, be centered in the Gulf when Eads and De Lesseps shall have triumphed over nature's obstacles and united the two oceans by rail and water. The teas, the spices, and the silks of the far East, and the fabrics of the shop and the loom of Europe will be brought to the cities now around the Gulf and those that will spring up hereafter, to be exchanged for the cotton, cereals, and meats, as well as the manufactured fabrics of our country, and also the cabinet and dyewoods and tropical fruits of Mexico, Central and South America. Then we will enjoy real prosperity, and dictate the financial and commercial policies of the world.

Hence I say improve our Western water ways, and more especially the Mississippi, in order that this happy event may be hastened. The amount asked for is not large when we consider that the Government is collecting from the people daily in the way of taxes a million and a quarter of dollars. These taxes can be applied to no better purpose than to improve and increase the facilities for transporting the products of the country to the markets of the world.

The Mississippi River washes the western border of the district which I have the honor to represent on this floor, and the work done on the Plum Point reach is on the border of the county in which I reside. And I know from personal inspection and observation that the navigation at this reach has been very greatly improved. During the low-water season, in the summer and autumn, prior to the beginning of the work, it was not at all unusual to see one or more steamboats hard aground on the bars, there being scant 6 feet of water across them.

Often these boats would remain stuck on the bars for days at a time, with the water spread over the surface a mile and a half in width. Since the contraction and revetment work has been in an advanced state of progress. There has been no boat aground at that place that has kept in the channel, the water being from 10 to 12 feet in depth across the bars all the year round. The expenditures, though large, have been in the interest of commerce, and will bring in tenfold greater returns to the people than the work will cost to complete it, and it gives every promise of being entirely successful.

I give an extract from an address made at Saint Louis by Hon. R. S. Taylor, of Indiana, a member of the Mississippi River Commission, who made personal inspection of the work at Plum Point:

> Plum Point reach is 20 miles long, and in some parts nearly 2 miles wide. It embraces eleven bars, some of them, heretofore, among the worst on the river; it contains five chutes, which are to be closed, varying from 600 to 3,400 feet in width. Its complete improvement will require the revetment of six caving banks, of which the shortest is half a mile and the longest 4 miles in length.
>
> Permeable dikes have been constructed across four of the chutes to be closed. No work has been done on the fifth, known as Yankee Bar Chute, because it is hoped that the influence of the works above it will suffice to close it. The effect produced by these structures has exceeded all anticipations. The quantity of earth which has been deposited by means of them is enormous. The deepest fill in any one place is 30 vertical feet.
>
> In Elmot Chute there has been an average fill of 6½ feet distributed over an area of 500 acres; in Upper Osceola Chute, an average of 5½ feet distributed over 240 acres; and in Bullerton 7 feet, distributed over 250 acres. While the closure of the chutes is as yet only partially complete, it has produced a large concentration of water in the main channel, which has been followed by marked and gratifying results. The bars which formerly obstructed navigation have been cut down from 6 to 10 feet throughout the reach.
>
> The last season was one of unusually low water, the lowest within ten years. In other parts of the river 5 and 6 feet depths were not uncommon. But here there was a 12-foot channel throughout the season. If every part of the river had been as good as Plum Point reach the J. M. White and the Natchez could have raced from New Orleans to Cairo in dead low water.

DIAGRAM AND EXPLANATION

SUBMITTED BY

HON. A. J. WARNER,

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 7, 1886.

The House having under consideration the bill (H. R. 5690) for the free coinage of silver, and for other purposes—

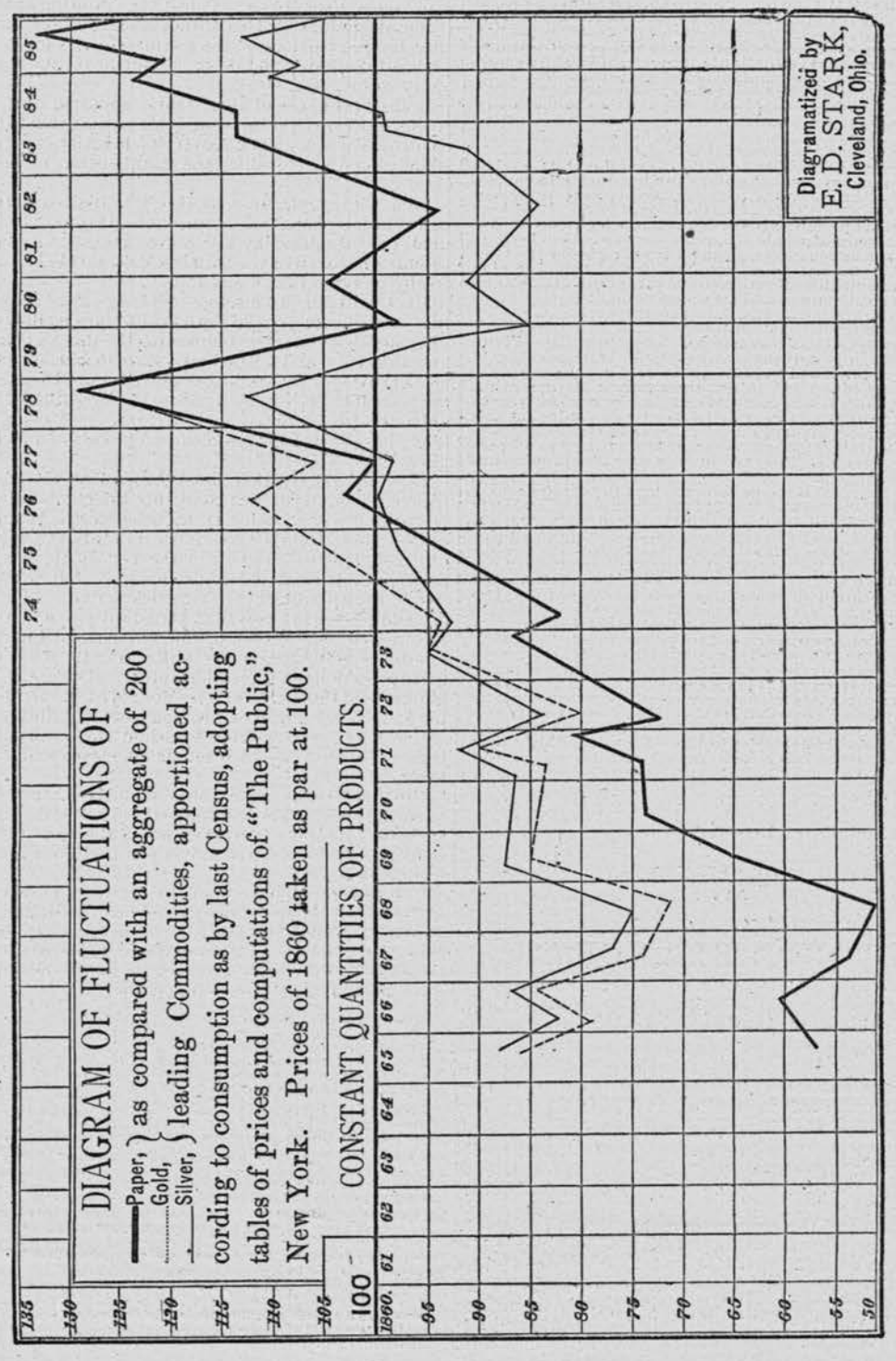
Mr. WARNER, of Ohio, said:

Mr. SPEAKER: I ask leave to insert in the RECORD a diagram showing the variation in value of gold and silver as compared with commodities, prepared by Mr. E. D. Stark, of Cleveland, Ohio, with a brief explanatory statement.

The SPEAKER *pro tempore*. Without objection the leave will be granted.

There was no objection, and it was so ordered.

Mr. WARNER, of Ohio. If from two vessels at sea, A and B, observations were taken, first from A on B, which showed that B was drifting eastward, and then from B on A which showed that A was drifting westward it would be necessary in order to determine which vessel had moved or whether both had not changed positions to refer to some object relatively fixed, or to the stars. So in the following diagram two hundred commodities in the proportions in which they enter into consumption per capita are taken as such standard. Tested by this, the best possible standard, it appears that both metals have changed, that both since 1876 have risen above the level of 1860, but that gold has risen much more than silver. Tested by this scale silver bullion has not fallen, but since 1883 has risen 12½ per cent. above the price-level of commodities for 1860. This diagram has been carefully prepared by a close and accurate student of the subject, and is worthy of careful study.



This diagram has been constructed for the purpose of showing graphically what has been the behavior of each of the three kinds of standards of money in use for the last twenty-five years, as to each other but more especially as to commodities.

In a dispute about standards we must first settle what is the chief excellence in a standard. Happily on this point there is perfect unanimity. Everybody says we want a standard that has stability and uniformity in value. By that is meant that a definite weight or quantity of the metal adopted as the monetary unit shall have approximately the same value through long periods and shall not be apt to take on sudden and violent changes of value. This money unit must buy, not indeed the same quantity of each product—that would make it impossible for commodities to vary among themseves—but that in the large aggregate of all commodities it should buy about the same one year with another. That is what is meant by stability in value.

In order to make a careful comparison we need a commodity unit made up of representative articles used in every-day life. The heavy media line in the cut called "constant quantities of products" represents such a composite or aggregate unit. It is composed of two hundred leading products, such as wheat and all the other grains, fruits, potatoes, and garden products; hog products, as mess pork, bacon, ham, lard, &c.; beef and mutton, ditto, and dairy products; the different metals; over fifty chemicals; leather, lumber, glass, paper, the material of all textile fabrics, rubber, turpentine, &c. By the census of 1880 it appears that in all its various modes of consumption thirteen and a half bushels of corn were consumed to each inhabitant of the country; accordingly that quantity of corn is put into our commodity unit. One-fortieth of a pound of gum arabic per capita was used; so much of that, therefore, goes into it, and so on for each of the two hundred articles. They all go in in proportion to their actual consumption for that year. This aggregate is now reduced down to such a size, preserving all the time the proportions above described, as will be equivalent to some definite sum of money, say $100, according to the prices of 1860. The average prices of the year 1860 are taken as our standard of comparison; that is, the value—the purchasing power of a dollar; gold then is assumed as par. We have thus a commodity unit of the value of $100 in 1860, and the varying money equivalent of that afterward will indicate the varying value of our money at the successive periods embraced in our table—from 1860 to 1886.

It should be carefully noted and remembered that the 100 line is an aggregate of commodities that was worth $100 in 1860, and that its constancy is not in its money value, but it is constant as a quantity of the two hundred things apportioned as described. Where the heavy line, which represents currency, crosses the medium line, as in 1876-'80-'81-'82, it means the current prices of 1860 were recovered; where the dotted line crosses it, the dotted line being gold, it means $100 in gold would buy the same aggregate of commodities it would in 1860.

The prices of 1860 are taken as being normal, and if anything below the average of the preceding ten years, and prices were undisturbed by novelties in money legislation. The eccentricities of both coin and paper during the war involve elements foreign to the discussion and are therefore omitted.

Commencing with November 1, 1865, $174.77 in paper (greenbacks) was required to buy our commodity unit which makes the value of the greenback dollar .54 of the par of 1860. Gold at that date had fallen from its war price down to $1.46, so that $119.81 in gold would have bought the unit, making gold .85. In May, 1866, $167.60 in paper and $126.04 in gold would buy the unit, making their values respectively .60 and .84. In 1867 the mean annual price of the unit was $189 in currency and $136 in gold—.54 and .74. In 1868, the year of highest prices, paper went to .51 and gold to .716, their mean value for that year. For 1869-'70-'71, the mean annual value of paper and gold are indicated in the diagram. From November, 1871, on, the prices are indicated as of specified dates and not yearly averages. The gold line is lost in the currency line in 1878, by greenbacks coming to par.

It is thus made plain to the eye that the value in commodities of our dollar of account in 1868, averaged .51 and became, in 1878, $1.29 and in August, 1885, $1.34 as compared with $1 in 1860. There is in this showing no legerdemain, no selecting, tinkering, or distorting of facts to make a case. On the contrary a little reflection upon the constitution of our unit will reveal that the fall of prices (rise of money) is, in fact, minified for the reason that agricultural product and raw material have the controlling weight. A locomotive engine, a printing press, and a sewing-machine are each quite different things from those twenty-five years ago, and if increase of efficiency is taken into account, they would show a greater fall than has occurred in the great staples. Or if the products of these great implements, transportation rates, newspapers, and books, and needle-work could be counted in and improved quality as well as quantity estimated, a still greater increase in the producing power of money would be shown. It is in implements of industry, especially those that contribute to the elegancies and luxuries, where the greatest fall has occurred, but they can not conveniently be wrought into the unit we want. We must have products that are about the same in quality as of old, and they must therefore be raw material.

Of course the diagram is constructed so as to throw the value change upon money and not on commodities. This is contrary to the familiar way of treating value change.

Yellow-Fever Investigation.

SPEECH

OF

HON. NEWTON C. BLANCHARD,

OF LOUISIANA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, May 3, 1886,

On the bill (H. R. 5542) providing for the appointment of a commission to investigate the truth of alleged discoveries of the specific cause of yellow fever and of a method of preventing that disease by inoculation, and to obtain all information possible as to the cause and prevention of that disease.

Mr. BLANCHARD said:

Mr. CHAIRMAN: No question more nearly concerns the commerce of the South Atlantic and Gulf cities and the Lower Mississippi Valley than the prevention of the yellow-fever scourge. Hence, under the "commercial clause," as it is called, of the Constitution we find abundant warrant in the fundamental law of our land for the appropriation contemplated by this bill.

If there are reasonable grounds for believing that the investigation will tend to the development and establishment of truth in the great field of public health, then this measure is one demanded by every consideration of public good.

The originator of the idea of this investigation is Dr. Joseph Holt, president of the State board of health of Louisiana. His views and plans relative to same have been adopted by the American Public Health Association and by medical associations and authorities all over the country.

The most eminent medical officers of the Government, such as Surgeon-General Hamilton, Drs. Billings and Sternberg, and others, appeared with Dr. Holt before the committees of both Houses of Congress indorsing the reported discoveries of Drs. Freire and Carmona to the extent at least of joining Dr. Holt in asking the creation of a commission to investigate the subject.

If it be true that this discovery of the prevention of the fever has been made, it marks a great advance in medical science—ay, in civilization and progress—and ranks by the side of the discovery of the circulation of the blood by Harvey, and the great discovery by Jenner of the prevention of small-pox by the process of inoculation.

Mr. Chairman, in 1770 the most dreadful malady afflicting the human race was small-pox. It had been growing apace for decades, numbering its victims by tens of thousands, and bid fair to depopulate the most favored portions of the world. Like a great, gloomy pall, pregnant with suffering and death, it hung over the human race threatening its destruction.

In the providence of God, Jenner appeared upon the scene; and his genius conceived the idea, and his patience and industry worked out the details of the great discovery of inoculation, with which his name is linked and before which the gaunt specter of pestilence fled in dismay.

From a great plague, upas-like, fatally destructive to all within the radius of its sphere, and aggressive and virulent in its malign progress, small-pox, throttled by the preventive measures of medical science, became comparatively a harmless disease, easily handled and stamped out by proper care and attention.

Mr. Chairman, the diseases to-day upon the earth the most dreaded, the most destructive of human life, are yellow fever and cholera. They are twin scourges, compassing the death annually of thousands of human beings, and against whose encroachments and attacks the best medical skill of the world has proved unavailing. They have become the pests of the race. No antidote for their attacks has been found, and unless Freire, in Brazil, and Carmona, in Mexico, as respects yellow fever, have solved the problem, no process of prevention has yet been discovered.

It is natural, sir, that those throughout the world who live in the regions of country which constitute the habitat of yellow fever should be looking with hopeful anticipation to the tidings of success which come up to us from those countries of the South. Many millions of our own countrymen live within the belt liable to visitations of yellow fever, and oft-recurring epidemics have but too forcibly recalled the fact to the attention of the American mind.

Yellow fever has prevailed periodically to a terrible extent at points on our Southern seaboard, and has even, at intervals, penetrated the interior, spreading over the entire country south of the Ohio. These ravages have done incredible injury. Commerce has been paralyzed, hundreds of thousands of lives destroyed, values depressed, and suffering and misery beyond all computation entailed.

One single yellow-fever epidemic alone—that of 1878 in New Orleans—cost that city, it is estimated, eleven and a half millions of dollars.

Great epidemics, it has been said, like that of 1878, ramify far beyond the areas of the disease itself. The derangement of business over such vast districts inevitably affect the rest. The commercial currents can not be checked at one point without injury and disaster following at others.

The prospect, therefore, of discovering a preventive of yellow fever at Galveston, New Orleans, Memphis, Charleston, Mobile, Savannah, Pensacola, Vicksburg, and Shreveport is interesting and important to New York, Boston, Cincinnati, Saint Louis, and Chicago. Epidemics which destroy the market can not fail to prostrate the sources of supply.

The investigation provided for in this bill—

Says a recent writer—

offers a hope, and a brilliant one, of putting into the hands of our people the means of self-protection. The plan offers the possible emancipation of the American people from the dominion of a pestilence which has cost tens of thousands of human lives and hundreds of millions of dollars.

The experiments and methods of Freire and Carmona attack the yellow-fever problem in a direction heretofore untried, but in line with inoculation and vaccination against small-pox and Pasteur's method for protection against hydrophobia. These discoveries have challenged the attention of the enlightened medical world. It is better to prevent disease than to cure it. That medical man is greater, who, like Jenner, points out to his fellow-man the way to immunity from contagious disease, than the one whose skill cures thousands upon whom the disease has fastened.

The Brazilian and Mexican Governments have given to the discoveries of Freire and Carmona the sanction of their indorsement.

By this bill Congress is asked to create and equip a scientific commission for the investigation of these discoveries and for the exploration of the sources of yellow fever contagion. As some one has stated it, "it is proposed to lighten up the hidden, germinating recesses of pestilence with the torch of scientific inquiry, and to stifle the potent poison in the nursery of its engendering beds."

I submit, sir, it is entirely proper and legitimate for the Government to engage in this work. Did not the German Government send Dr. Koch to India to study the cause of cholera?

Has not the British Government also set on foot investigations into the origin of cholera?

In our own country, sir, you will recall that in 1814 Congress appropriated $320,000 to enable Robert Fulton to construct, test, try, prove, and complete the first war steamboat that was ever launched, and thereby "recognized and encouraged, and brought to the attention of the people the great worth and measureless value of the use of steam."

It will also be remembered that in 1843 Congress appropriated $30,000 to enable Morse to test, prove, and perfect the first line of electric telegraph that was ever built.

Why not now equip a commission to investigate a subject which involves the social, industrial, and commercial prosperity of an immense territory embracing some of the fairest and richest portions of the Union?

If this reported discovery be true, we can not get hold of it too soon. We can not be too swift to ascertain it, to know what it is, to learn its principles, processes, and methods, and apply them to the amelioration of the condition of our own people by giving them immunity against liability to the attacks of this dreaded yellow scourge.

If a foreign human foe were to invade our country millions would be freely spent with patriotic zeal to repel his attacks. Can not we spend a few thousand to prevent the invasion of this enemy—disease? One of the most distinguished of living Americans, now residing in dignified retirement on the beautiful banks of the Hudson, in a letter to the eminent gentleman who fills the chair of this House, some months since called attention to our great need of coast defenses and urged large appropriations by this Congress for that purpose. Out of the millions which might be well spent in this direction can not a few thousand be spared to test the merits of an alleged discovery, which, if true, is a great boon to the human race and a long stride in the progress of civilization?

I believe so, sir, and hence give to this bill my cordial support.

Rivers and Harbors.

SPEECH

OF

HON. EDMUND N. MORRILL,

OF KANSAS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 28, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes—

Mr. MORRILL said:

Mr. CHAIRMAN: I desire to occupy the brief time allowed to me in speaking in favor of the amendment offered by the gentleman from Missouri [Mr. DOCKERY]. His amendment proposes to increase the amount appropriated for the improvement of the Missouri River $120,000, and to expend this amount in improving the river and protecting the banks at Saint Joseph, Fort Leavenworth, and Kansas City the sum of $40,000 at each point. I have only time to give briefly some urgent reasons why the improvement should be made and made at once at Fort Leavenworth.

The Government years ago set apart a large reservation at this point for a military post, and has since expended large sums of money in improving it for military purposes, until now it is the largest and most important post in the whole country. It will doubtless continue to be the center for all military operations of the West. Millions of dollars have already been expended there, and large annual appropriations are made to continue the improvements already made and to inaugurate new ones. The Missouri River runs through this reservation, the fort having been established on a beautiful and commanding eminence on the west bank, secure from any possible encroachments of the river. On the eastern bank the river has for years been making serious inroads, having in the past twenty years cut away more than half a mile of the reservation lying in Missouri. It now threatens, unless immediate steps are taken to arrest its progress, to cut a new channel.

If this is done the width of the river will be largely increased, the depth of water will be correspondingly lessened, and it will at some future time require a much larger outlay to secure the river within reasonable limits. The expenditure of the sum asked for now if made at once would accomplish more in improving the navigation of the river than five times the amount would a few years hence when the new channel is made. It seems inevitable, judging from the rapid encroachment the river has made the past year, that this result will soon follow. If it does follow the interests of the Government will suffer materially. A large amount of land owned by the Government will be destroyed and the valuable improvements at the fort will be left more than a mile from the main channel of the river.

Mr. CUTCHEON. Does not the gentleman think the Missouri River Commission can be depended upon to expend that money properly?

Mr. MORRILL. Judging the action of that commission for the future from its policy and action in the past I see little to hope for in that direction. For some reason, perhaps from the fact that the appropriations for that river have always been inadequate to carry on the work as it should be done, and perhaps partly from the pressure brought to bear upon the commission for similar expenditures at many other points, they have refused to deviate from their policy of confining all expenditures to the lower portion of the river.

Mr. GIBSON. The milk in that cocoanut is the railroad bridge there.

Mr. MORRILL. The engineer at Fort Leavenworth has, under the direction of General Miles, who until recently has been in command of that post, prepared an accurate and quite elaborate map showing the full reservation and the course of the river through it, and the changes in the channel since 1839. The commanding officer at the post recommends that this work be done with the least possible delay. This recommendation is heartily indorsed by Major-General Schofield, commanding the Department of the Missouri, and warmly approved by the present able Secretary of War, who a few months since made a personal inspection of the river at this point.

No prudent business man with the large interests at stake which the Government has would hesitate for a moment to make the improvements asked for. While it would confine the channel to its present limit and thus be a valuable improvement to the navigation of the river, it would at the same time protect the Government property from serious and lasting injury.

The CHAIRMAN. The gentleman's time has expired.

Mr. MORRILL. Then I ask unanimous consent to have the accompanying documents and map printed in the RECORD.

No objection being made, it was accordingly ordered.

The papers are as follows:

WAR DEPARTMENT, *Washington City, April* 5, 1886.

The Secretary of War has the honor to transmit to the House of Representatives a copy of a report of the 11th of February last, and map, from the Chief Engineer of the Department of the Missouri, showing the encroachments of the Missouri River, opposite Fort Leavenworth, Kans., from 1839 to 1885; and also a copy of a communication of the 16th ultimo from the department commander, from which it appears that if the river should force its way through an old channel as indicated on the map herewith, the facilities for moving troops and supplies to the Missouri River, and crossing the same by the railroad bridge now spanning its waters, would be lost, and that the utility of the military depots, garrison, school of application, and prison at Fort Leavenworth depend largely upon these facilities.

The commanding general of the Department of the Missouri earnestly recommends that a sufficient appropriation be made to meet the necessities of this case, and his recommendation is concurred in by this Department.

It may be added that a communication, on the same subject, was transmitted to the House of Representatives on the 9th ultimo.

WM. C. ENDICOTT, *Secretary of War.*

The SPEAKER *of the House of Representatives.*

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
OFFICE OF THE CHIEF ENGINEER,
Fort Leavenworth, Kans., February 11, 1886.

SIR: In accordance with verbal instructions from the department commander I have the honor to forward herewith a map showing the encroachments of the Missouri River opposite Fort Leavenworth, Kans., since 1839, with the following brief report on the same.

The map has been compiled from data on file in this office. The latest survey having been made in February, 1885, under the direction of Capt. J. E. Greer, Ordnance Department, acting engineer officer, practically represents the position of the channel as it at present exists.

The Chicago, Rock Island and Pacific Railroad Company have riprapped something over 1,300 feet of the bank most threatened, to protect their roadbed.

The main road to Weston has been cut off and now follows the railroad to Beverly Station as shown on the map. The west bank opposite the encroachments as shown in 1839 is still practically the west bank proper of the river, while between it and the present channel extensive sand flats, interspersed with sloughs and lakes, exist.

These flats are ordinarily uncovered, but during the periodical rises they are submerged, the river then running full between its banks proper.

Owing to the position of Duck Lake, immediately south of the greatest encroachment and the low dividing ground between it and the present channel, a rise by no means improbable would be attended by serious consequences.

Very respectfully, your obedient servant,

H. L. RIPLEY.
First Lieutenant Twenty-fourth Infantry, Acting Engineer Officer.

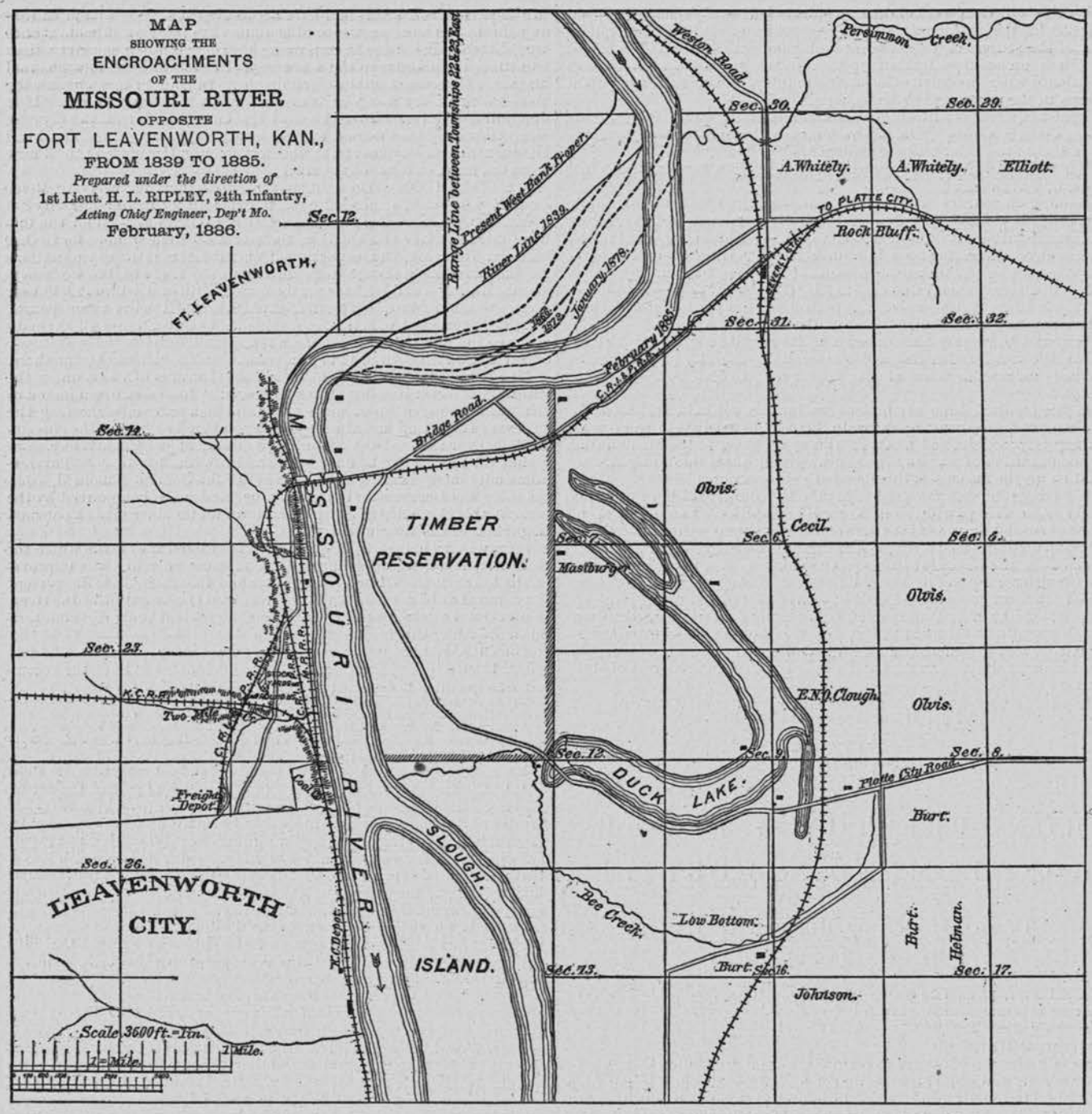
The ASSISTANT ADJUTANT GENERAL,
Department of the Missouri, Fort Leavenworth, Kans.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF MISSOURI,
Fort Leavenworth, Kans., March 16, 1886.

Respectfully forwarded through Headquarters, Division of the Missouri, to the Adjutant-General of the Army.

In view of the very great interest the Government has in retaining the Missouri River in its present or original channel, I recommend that this matter may



be laid before the Committee on River and Harbor Improvements during the present session of Congress.

The utility of the military depots and garrison of infantry, artillery, and cavalry, department headquarters, school of application, and military prison located at Fort Leavenworth depend largely upon the facility for moving troops and supplies by the Missouri River, and crossing the same by the expensive railroad bridge now spanning its waters. Should the river force its way through an old channel, as indicated on the accompanying map, all of the above-mentioned facilities now so valuable to the Government would be lost and the only bridge between Atchison and Kansas City, Mo., a distance of 47 miles, becomes useless.

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
OFFICE OF THE CHIEF ENGINEER,
Fort Leavenworth, Kans., February 11, 1886.

SIR: In accordance with verbal instructions from the department commander, I have the honor to forward herewith a map showing the encroachments of the Missouri River, opposite Fort Leavenworth, Kans., since 1839, with the following brief report on the same:

The map has been compiled from data on file in this office. The latest survey having been made in February, 1885, under the direction of Capt. J. E. Greer, Ordnance Department, acting engineer officer, practically represents the position of the channel as it at present exists.

The Chicago, Rock Island and Pacific Railroad Company have riprapped something over 1,300 feet of the bank most threatened to protect their road-bed.

The main road to Weston has been cut off and now follows the railroad to Beverly Station, as shown on the map.

The west bank opposite the encroachments as shown in 1839, is still practically the west bank proper of the river, while between it and the present channel extensive sand flats, interspersed with sloughs and lakes, exist. These flats are ordinarily uncovered, but during the periodical rises they are submerged, the river then running full between its banks proper.

Owing to the position of Duck Lake, immediately south of the greatest encroachment and the low dividing ground between it and the present channel, a rise by no means improbable would be attended by serious consequences.

Very respectfully your obedient servant,

H. L. RIPLEY,
First Lieutenant Twenty-fourth Infantry, Acting Engineer Officer.

The ASSISTANT ADJUTANT-GENERAL,
Department of the Missouri, Fort Leavenworth, Kans.

[First indorsement.]

HEADQUARTERS DEPARTMENT OF THE MISSOURI,
Fort Leavenworth, Kans., March 16, 1886.

Respectfully forwarded, through headquarters Division of the Missouri, to the Adjutant-General of the Army.

In view of the very great interest the Government has in retaining the Missouri River in its present or original channel, I recommend that this matter may be laid before the Committee on River and Harbor improvements during the present session of Congress. The utility of the military depots and garrison of infantry, artillery, and cavalry, department headquarters, school of application, and military prison located at Fort Leavenworth depend largely upon the facilities for moving troops and supplies by the Missouri River and crossing the same by the expensive railroad bridge now spanning its waters. Should the river force its way through an old channel, as indicated on the accompanying map, all of the above-mentioned facilities, now so valuable to the Government, would be lost, and the only bridge between Atchison and Kansas City, Mo., a distance of 47 miles, becomes useless. Again, should the channel of the river be

changed, and a great slough of stagnant water be left near this military post and garrison, the present drainage and sewerage system would be destroyed.

I earnestly recommend that a sufficient special appropriation be made to meet the necessities of this case.

NELSON A. MILES,
Brigadier-General, Commanding.

CHIEF ENGINEER OF THE DIVISION.

[Third indorsement.]

HEADQUARTERS DIVISION OF THE MISSOURI,
Engineer's Office, Chicago, Ill., March 22, 1886.

Respectfully returned to the adjutant-general Division of the Missouri, with the suggestion that this matter be referred, though the proper channels, to the Missouri River Commission, which by law is charged with all works of improvement affecting the navigation of the Missouri River.

In the office of that commission there are numerous maps and data relating to this very point.

THOS. H. HANDBURY,
Major Corps of Engineers, U. S. A., Engineer Officer, Division of Missouri.

[Fourth indorsement.]

HEADQUARTERS DIVISION OF THE MISSOURI,
Chicago, March 23, 1886.

Respectfully forwarded to the Adjutant-General of the Army.

This is a very important matter and deserves serious consideration.

J. M. SCHOFIELD,
Major-General, Commanding.

LEAVENWORTH BOARD OF TRADE ROOMS,
Leavenworth, Kans., March 18, 1886.

DEAR SIR: At a meeting of our board of trade to-day, the great importance of securing the necessary appropriation for the protection of the Missouri River bank at Fort Leavenworth was discussed.

We were requested by the board to call your attention to this matter, and to say that unless prompt action is taken to prevent the further erosion of the banks a new channel will be forced through the reservation on the east side of the river. This new channel would of course be east of the present railroad bridge at Fort Leavenworth, and would cut off the communication between Fort Leavenworth and the roads on the east side of the river, and would deprive the post and possibly the city of Leavenworth of whatever advantage they may now enjoy by a location on the river bank. Our people fully appreciate your earnest zeal in this behalf, and most cordially desire to stay up your hands in this good begun work, and earnestly hope and trust you will succeed the present session.

Very truly yours,

A. CALDWELL,
President Leavenworth Board of Trade.
H. MILES MOORE,
Secretary Leavenworth Board of Trade.

Hon. E. N. MORRILL,
House of Representatives, Washington, D. C.

Post-Office Appropriation Bill.

SPEECH

OF

HON. PRESTON B. PLUMB,

OF KANSAS,

IN THE SENATE OF THE UNITED STATES,

Tuesday, May 4, 1886.

In concluding the debate on the amendment of the Committee on Appropriations to the Post-Office Appropriation bill (H. R. 5887) providing for ocean mail—

Mr. PLUMB said:

Mr. PRESIDENT: The theory upon which the committee acted in reporting this amendment, I think I can safely say, was not that it was a subsidy according to any proper use of that term, but that it was applying to the transportation of the foreign mails of the United States precisely the same rule of compensation and the same rule of procedure as is now applied as it has been for years to the transportation of the inland mails of the United States. A great deal has been said about the fact that there is to be no competition, and I presume that in many of the cases and perhaps in most of the cases in which we shall transport our foreign mails by means of American steamships there will be no competition; but neither is there competition in the railroad carriage of the inland mails of the United States. Neither is there competition on most of the steamboat lines by which the mails are carried on the inland waters of the United States. The Government in other words in regard to transportation of this kind fixes what is a fair compensation and pays it without requiring competition.

I call the attention of the Senate to section 4002 of the Revised Statutes fixing the rate of pay upon railroads for carrying the mails, furnishing, as I think, a complete illustration of the rule which the committee sought to have applied to the carrying of foreign mails. That section provides the rate of pay as follows:

That the pay per mile per annum shall not exceed the following rates, namely: On routes carrying their whole length an average weight of mails per day of 200 pounds, $50; 500 pounds, $75; 1,000 pounds, $100; 1,500 pounds, $125; 2,000 pounds, $150; 3,500 pounds, $175; 5,000 pounds, $200, and $25 additional for every additional 2,000 pounds, the average weight to be ascertained, in every case—

according to the plan named in the succeeding portion of the section. Under the practice of the Post-Office Department the lowest price paid to any railroad now is forty-two dollars and a half a mile per annum, no matter how small an amount of mail is carried, the rates having been reduced somewhat by a succeeding statute. The price that is paid for carrying on the smaller routes has no relation whatever to the postage received on the mail carried. There is no comparison sought to be instituted between the amount paid to the railroad company and the amount received by the Government. In point of fact, on all these routes which carry 200 pounds of mail or less the amount received by the railroad company is in excess of the entire receipts of the Government as postage on the mail thus carried.

When we come to deal with the carriage on railroads like the Pennsylvania and the New York Central, which carry the great mails leaving the city of New York, we pay only one-half for carrying 2,000 pounds what we pay for carrying 200 pounds or less on the smaller roads. In other words, where the carriage is very large, and where a very large carriage at a small rate of pay can be made profitable to the railroad company, the Government reduces the rate; but when it is dealing with the railroads in the interior portion of the country, where the carriage is small, it fixes a price totally different without reference to the weight or value of the mail carried. It is fixed at a rate deemed fair, and it is fixed without competition. The question of competition has never entered into the relations of the United States to the railroads in reference to the carriage of the mails.

The carriage of the mails upon the inland waters of the country, including the coast-line service, as the Senator from Iowa reminds me, is almost wholly without competition. It is a service, too, which carries very little mail and at a very high figure. This service costs nearly $600,000 per annum, and is paid for at the least price attainable. No doubt the form of bidding is gone through with, but in a majority of cases only one person bids, for on most of the rivers not more than one suitable steamer runs. Practically no element of competition enters into this service, and the cost of it is out of all proportion to the revenue it yields. It is far more a subsidized service than the foreign-mail service will be in case this amendment is enacted into law.

Now, we seek to apply precisely this same rule to the carriage of mails between the United States ports and foreign ports. As the Senator from Louisiana [Mr. EUSTIS] well said yesterday, the law itself recognizes a distinction already, and always has made a distinction in favor of American steamships and a discrimination against foreign steamships, because in section 4009 of the Revised Statutes it is provided that—

For transporting the mail between the United States and any foreign port, or between ports of the United States touching at a foreign port, the Postmaster-General may allow as compensation, if by a United States steamship, any sum not exceeding the sea and United States inland postage; and if by a foreign steamship or by a sailing vessel, any sum not exceeding the sea postage, on the mail so transported.

The difference between sea postage and sea and inland postage is about as 2 to 5. In other words, the law now provides as part of the settled policy of the Government that American steamships which carry the United States mails may have more than twice the amount authorized to be paid to foreign steamships for the same service. That has not proven sufficient, and the committee seeks in proposing this amendment to further extend this principle, already applicable generally in our foreign-mail service, to the carrying of our foreign mails with a view to encourage greater frequency, speed, and security.

There is no authority given to the Postmaster-General to pay extravagant prices. No one has risen in his place here to say that $1 a nautical mile for the outward trip is too great a price to be paid. I take it, therefore, that there is no dispute as to the reasonableness of the price proposed to be paid; that if we are to favor American steamships the price named in the amendment is a fair one, or at all events that it is not excessive and will not be burdensome upon the Government.

A great deal has been said about our obligations to the tax-payer, and that in matters of this kind any dollar we take from them which is not absolutely necessary is robbery. Mr. President, I agree to that; but what is necessary must be left to a wise discretion to be exercised by Congress. The same Senators who have spoken so earnestly upon this subject and who have characterized this proposition to pay $800,000 as robbery are here consenting to the proposition that we shall pay to a railroad mail line running from New York to Jacksonville, Fla., $291,000, more in proportion than we pay to any other mail line in the United States, in order that the communities along that line and the communities beyond the terminal point of that line, to wit, at Key West and the foreign community at Havana, may have a more speedy and more frequent delivery and distribution of the mails than they would have if we applied to that line the general rule which we apply to all other railroad lines in the United States. If that is the exercise of a wise discretion, wherein is the payment of $800,000 to produce a similar result in the carriage of our mails between our ports and foreign ports robbery?

The United States receives each year a large sum of money from its foreign mail service beyond the cost of that service. I believe the net results to have been during the last year over a million and a half of dollars, because we appropriated only $375,000 for the service and received $2,078,000 from it. But whatever the sum may be, there is no one who has addressed himself to the question but says there is a profit. Why should we not apply that profit to the extension of this useful and necessary service?

When we come to deal with what is known as the free-delivery service we find that it is established in one hundred and seventy-six of the cities of the United States. The service taken altogether yields a profit, but every single one of the cities in which that service is rendered, except seventeen, shows a deficiency. That is to say, only seventeen yield a profit, all the rest of them returning a deficit, yet the whole service results in a net profit to the Government, and the Postmaster-General has proposed in his last report that it shall be further extended—extended to still smaller cities than now, to entail a still greater loss of revenue—and he puts it upon the ground that this can be afforded because the seventeen cities yield profit enough to pay not only the deficiency now existing but also that which will be created by extension to other places. Therefore he proposes to take from New York, Philadelphia, Boston, Cincinnati, Chicago, Louisville, Saint Louis, and so on, the net revenue which they give to the Department for the purpose of extending the service to towns where that service will be carried on at a loss. I do not complain of this; but why is it that we may do all these things with reference to our inland mail service, everything of this kind within our discretion at home, but the very moment we seek to apply any of these rules, conceded to be useful and proper and necessary internally, to our foreign mail service, we are met with this great cry about the robbery that is involved?

Mr. President, it would seem as though upon this statement, which can not be gainsaid—it does not rest upon my authority; it stands upon the law and the universal practice of the Department under it—that there ought to be nothing here to contend about in regard to this appropriation of $800,000 to give greater and better mail facilities between this country and South America and the other countries whose trade we are seeking.

I have wondered why it was that when we come to this particular branch of the question, all at once we divide and get into the most earnest and anxious contention in regard to what is proper to be done. I think it is because for now nearly or quite a generation we have devoted ourselves so exclusively to the internal affairs of this country, to the development of its internal commerce, to the extension of its lines of railway, to the settlement of new communities in the far West, to cultivating home trade for our manufactures, and all the other things which have led to the enormous growth and development of the country, that we have to come to exclude ourselves wholly from the consideration of those things which pertain to our relations with foreign peoples and to our trade with them.

Great Britain furnishes an example of exactly the opposite character. In generations her policy has been wholly external. Her statesmen know the by-ways of international affairs better than they know the highways of home affairs, and she gives foremost attention to what concerns her subjects in foreign lands, including the establishment of the swiftest possible communication with them. This external policy has been so consistently and always pursued as, while developing her trade enormously, to also draw her statesmen from the consideration of domestic affairs to such an extent when she is confronted, as she is now, with a very serious matter of domestic concern, she is as much at sea as to the treatment to be accorded to it as we are when we come to consider questions that relate to the extension of our foreign intercourse and trade. What reason can be suggested why the United States should not have adequate mail communication with South and Central America and with other countries with whom we desire to have better trade relations? And why should we not be willing to give as adequate compensation for our foreign as for our domestic mail service, in order that it may grow better in speed, in frequency, and safety? Are not there essentials in the domestic service as well as elements which make the mails a better instrumentality of trade?

What section of the country will derive the greatest benefit from this appropriation if made? The greatest and most direct benefit will come, if it is to yield any benefit at all, to the Southern States. It is conceded that if we are to have foreign trade of any very great proportions, the most sure field for its development is in South and Central America. The mouths with which we shall speak to those countries are the harbors and the cities upon the Gulf of Mexico—Galveston, New Orleans, Mobile, Pensacola, Tampa—and on the South Atlantic—Savannah, Charleston, and Wilmington—not only because of the less distance between them and the countries to be reached, but because the South is in a particularly favorable natural and industrial condition to meet the wants of the people in South and Central America. It is making to-day cheap cotton goods successfully, the goods with the greatest amount of material for the smallest amount of labor, and which by reason of this fact are the most attractive to the people whose necessities and tastes require them, the class of goods of American manufacture which are to-day sold in Manchester, the seat of England's cotton manufacture, and also in India.

If we can sell in these markets in competition with Manchester's own mills we can do the same if we have proper means of communication in South and Central America. The Southern States not only manufacture each year an increasing quantity of this class of cotton goods, but also an increasing quantity of a better article of cotton goods. The South is to be, if the natural law of development is to work out its perfect work, the seat of the great cotton manufacture of United States. More than all that, it has within its limits, within easy reach of tide water and connected with tide water by streams that are always open, great deposits of coal and of iron, with which the commerce of the Gulf of Mexico and the Caribbean Sea and the South Atlantic can and will be supplied, if there shall be established frequent and certain and safe steam communication.

One would think that with these facts it would be the Southern members on this floor, and not the Northern, who were proposing, defending, and maintaining amendments of this character. And yet this amendment in any event will get but a handful of votes from among those who represent the Southern States on this floor. In speaking and voting against this and similar measures they do not represent modern progress, commerce, or civilization. To-day the South in power in the National Government and as represented in this Chamber is the South of Calhoun, of Yancey, of Jefferson Davis.

Mr. MORGAN. Mr. President——

The PRESIDING OFFICER (Mr. ALDRICH in the chair). Does the Senator from Kansas yield?

Mr. PLUMB. Certainly.

Mr. MORGAN. I would say to the Senator from Kansas that it would have been very fair in him to have made his announcement earlier in the debate, and not to have waited until the conclusion; and that I think it is extremely unfair that he should take the opportunity of concluding the debate to bring up accusations against Southern men to which they have no chance to reply.

Mr. PLUMB. Mr. President, I think the Senator from Alabama knows me well enough to know that I would not deprive any one of a chance to reply to anything that I might utter here or elsewhere; and so far as I am concerned, if there is anything which I shall say in connection with the pending question that calls for reply, he can have my vote, and I have no doubt the vote of a majority at least on this side of the Chamber, for all the time for debate that may be desired.

I said what I now repeat, that the South of to-day in national control responds to the wishes and to the principles inculcated by Mr. Calhoun, enforced by Mr. Yancey, and illustrated by Jefferson Davis. I do not mean this as in any sense personally offensive; nor do I speak of it as in any sense qualifying the perfect sincerity of all the men who utter the sentiments to which I refer.

Mr. MORGAN. I beg to say to the Senator from Kansas that no such impeachments or accusations have the slightest personal offense toward me. Every name that he has mentioned is consecrated in my memory as the name of an honorable and a great man. I hope that the State of Kansas may some time or other produce some such character as Mr. Calhoun, Mr. Davis, or Mr. Yancey.

Mr. PLUMB. Mr. President, the Senator from Alabama has that aspiration for Kansas all to himself; not that I would take one leaf from the chaplet of any one of these men as an honorable, sincere, and earnest and able man, but it is the South of slavery, of an institution which did not want and would not have free labor either in field or in shop; and so the South takes up to-day the burden of its old song where it left off in 1861, yielding to the same disposition and the same determination against free labor.

Why, Mr. President, there would have been no contention about this matter if it had not been for the words "American ships" found in this paragraph. The Senator from Kentucky [Mr. BECK], with all his great ability, found no fault with it except that it did not recognize the doctrine of the right of British ships to render this service as well as American ships. The Senator from Missouri [Mr. VEST] said he was in favor of the largest mail pay, and had voted for the repeal of a provision of the statute which compelled vessels to carry the mails for the price of sea and inland postage—what the Postmaster-General now offers—thereby admitting that the present compensation is too small; but he opposes this provision because we do not open the service to foreign ships; and he said in the same breath that American ships could not compete, and we never could build ships on this continent that could compete for the world's commerce, because we could not build them cheap enough; and the Senator from Alabama [Mr. MORGAN], representing a State with more natural ability to build ships than Pennsylvania even, proposes an amendment which he intends to indicate to the Senate his view, and that which will satisfy him in this connection, to open this whole $800,000 to the service of foreign ships.

Mr. President, it is not because this is a subsidy, so called, nor because the amount is large—large enough to add to the cost of the coat of the Senator from Missouri—that it encounters the opposition of these Senators and their associates. It is the fact that in this amendment is a recognition of American vessels, of steamships to be made out of American material, dug out of American soil by American laborers, and fashioned afterward into the plates and all the things that go to make the thing of life known as a steamship by American mechanics in American ship-yards. There is where the shoe pinches. If this money were provided to go to foreign ships there would be no complaint. There are no voices raised on this floor for the Birmingham of Alabama, but there is a score of them to be heard in favor of the Birmingham of England; encouragement for the ship-yards on the Clyde, but none for

those at Chester, Philadelphia, and Wilmington. And yet the South, if it were free from its old distrust and hatred of intelligent and free labor, would rejoice over aids given to American shipping, for Birmingham in Alabama is the seat of iron manufacture designed, if the system of protection is not broken down, to excel that of any other portion of the country. The iron and coal deposits of Alabama are in close proximity and are reached by water transportation leading to the Gulf of Mexico, at a short distance, on whose shores there ought to be erected a great naval establishment as well as private ship-yards. But this interest, great now and to become infinitely greater in the near future, if not injured by unfriendly legislation, finds no advocate on this floor except from some distant State.

Something has been said, in fact a great deal has been said, about the interests of labor in this connection. The voice was the voice of Jacob, but the hands were the hands of Esau. Mr. President, the argument against this amendment is simply the old and familiar argument of capital against labor. The capitalist with his coffers filled, and believing in the law of supply and demand, applied to labor as well as everything else, says, "Give me the right to buy my ships where I please, give me the right to buy the products of the ship-yards of the Clyde and of Marseilles built by that foreign labor which is cheaper than American labor, and then give me the privilege of hoisting the American flag over it, and I do not care anything about American labor." That is the old cry of the South, in favor of capital—capital that owned labor and which contemned free labor and ostracised it, and rebelled in order to get rid of possible contact with it. And so long as the South clings to the old sentiment against free labor and against labor which demands what it has a right to have, equal share in the control of matters of State, it will never take its proper place in the race of progress, of industrial development, and of civilization.

John McLean, in advocating slavery in Kansas, in 1857, said, "I want a nigger to black my boots, because I can kick him without any danger of being kicked back." That was the spirit, the logic of slavery; a laborer at one end of the scale so weak, so ignorant, so lacking in spirit that the man at the other end, rich, owning all the land, educated, proud, could kick him without risk. The State, as prescribed by the law of slavery, consisted of these two classes alone—no small farmers; no "well-paid laborers, counting their task a play;" no manufacturers; no middle class, owning their own homes and their own bodies; no free speech—nothing but the subordination of labor to capital, nothing but the dreary despotism of slavery.

As under this theory of the subordination of labor to capital manufactures were impossible, the South was compelled to seek outside markets for the manufactured goods it must needs have. Naturally it sought these in foreign countries, not desiring manufactories anywhere on American soil on account of the possible contagion, and so the South of those days favored free trade and free ships, and was wholly concerned about the foreign market in which it elected to both sell and buy. It was expensive and exhaustive, but it was the price which had to be paid for the maintenance of slavery. The disastrous effect of this policy upon the South was emphasized in the result of the war of the rebellion. The armies of the South were skillfully commanded, they were composed of as brave men as those of the North, they were as large in proportion to what was required of them—but they failed of their purpose more because of the lack of the skilled labor which could make implements of warfare, means of transportation, and ships to sail the sea. The dependence of the South on foreign countries for those essentials of modern warfare which the North had, the skilled labor to create on demand and in unlimited supply, was certainly a prime cause of its defeat. And yet such is the power of the spirit of slavery remaining after the institution itself is gone that the dominant influence of the *South is still* opposed to manufactures and to intelligent well-paid labor, and still bent on seeking a foreign market in which to both sell and buy. Hence its favor as expressed through its representatives in Congress, in favor of free trade against protection and a home market, in favor of free ships and a foreign market against American artisans and industry and in favor of labor on foreign shores.

It is said there is a new South interested in material development, anxious to get into the tide of advancing civilization, to profit by the development of the great natural resources of the South, ambitious to put it into line with the growth and progress of the age; but these aspirations find no expression in Congress, except in occasional instances and in minor degree. It is the reactionary free-trade, pro-capital, and anti-free labor ideas that are represented in public life, such as are now demanding that the foreign ship manufacturer shall have the right to American registry for and to fly the American flag over his ships in order to give him a more certain and profitable market for them, and which practically denies to the American manufacturer the same advantage. This is neither the act of self-interest nor of statesmanship.

This debate has been made the occasion of an attack upon the principle and policy of protection, while only incidentally involved if at all. Still I do not object to the question being brought in.

I do not believe in all the provisions of the existing tariff law; I do not believe in "protection for protection's sake," according to an expression often quoted; but I do believe that the money necessary to carry on this Government, to discharge its debts and other obligations, may be most properly raised by duties imposed upon articles imported from foreign countries, and I do not believe in imposing any duty which shall result in bringing more money into the Treasury than is necessary for these purposes; but I do believe when we come to distribute the impositions and the burdens, if you please to call them so, of the tariff that, given the necessity of raising a particular sum and the determination to raise only that sum, the distribution of the burdens shall be such as to as adequately as possible protect American labor and build up upon American soil all the industries of every kind which the natural condition of things here warrants. I believe in this, because I believe it better and safer to deal with my own neighbors than to deal with a stranger and a foreigner. I believe in that, because I believe it is an element of national strength to manufacture at home as nearly as possible all that the necessities of our people require.

I know that a country which can support itself wholly from within so far as essentials are concerned, which can make its own arms and ammunition, its own ships and engines of destruction and defense, can clothe itself and feed itself, needs no standing army, and can defy the world in arms. I know, too, that whatever the tariff may cost us in any of its irregularities or its unnecessary features, if there be such, is cheap by comparison with even the lowest possible cost of a free-trade policy which would compel us to buy abroad. I prefer to trade with my neighbor, as do the farmers of the West, because the neighbor is under the same law; and if by any misadventure he is permitted to exact more than he ought, if it is within the range of the law, the law can correct the wrong; but if he deals with a man across the sea, living under different laws and institutions, he is entirely and wholly without remedy. He must, besides, take his chances of what a war which disturbs communication may bring.

But it will be in order to attack the tariff when some one shall show here that too much money is being realized from its operations. I have not discovered that when we come to appropriate the money which it brings into the Treasury those who claim that we are raising too much, although they do it in a very general way, are unwilling to take their aliquot part, and more. When it comes to that the catholicism that rises above all considerations of party, and is for "the old flag and an appropriation," is a sentiment that never disappears.

There are inequalities in the tariff. Circumstances so change as to make that unequal which was right when the duty was fixed. But on the whole it has worked well. The money necessary to carry on the Government and to discharge its manifold obligations growing out of the war has been raised in the easiest and cheapest way. Manufacturing has been stimulated, and each year the needs of the people in this direction are more fully supplied by the products of American shops, and the prices of manufactured goods have steadily declined. We are also each year sending an increasing quantity of manufactured goods into foreign markets, and with a fair chance at the markets of South and Central America through adequate means of transportation American manufacturers will in time dominate those markets.

I do not look to see the millennium of trade or communication brought about by an appropriation of $800,000. But I believe that if it is expended as it can be and should be, that we shall multiply our communications with Brazil and the Argentine Republic twice, perhaps three times. I am willing to cast that much bread on the water. If nothing comes back, I shall at least have the satisfaction of having helped to try to do something in the right direction. And if it is lost, it will be only that much more added to other sums we have lost, such as the New Orleans Exposition and other things of that kind, the design of which was right, but we miscalculated; that is all. I do not begrudge that expenditure made at New Orleans. I thought that we should get more out of it than we did. I do not know yet that we will not in time get all we hoped. No one can tell how much the good-will engendered in the minds of foreign people will aid in the future, nor how many orders to our manufacturers will come on account of the exhibit there made, but if New Orleans and the South generally are to have special benefit from it, it can only be brought about by the establishment of lines of communication whereby they can reach their neighbors of South and Central America. At least the expenditure was an honest and well-meant effort in the right direction. If we never spend money more unwisely than that was spent, we ought to go back to our constituents feeling that we have done well.

I believe that out of this will come, if properly expended, not only increased frequency and speed of communication between American ports and the ports of Brazil and the Argentine Republic, but I believe that we shall have better and more valuable communication with Venezuela, and I stop there to call the attention of the Senate to the fact that while an American line is now plying three times a month between New York and Venezuela, it will not and does not carry the United States mail because its owners believe that as a commercial speculation they can not afford to do it. They are not here asking for anything; and I may say further that I have neither seen nor heard since this proposition was broached a single word outside what has been said in discussion in committee and on this floor in favor of this proposition, nor of doing anything whatever to aid the American steamship lines. The companies have not been here to urge this appropriation; but it remains as a fact that an American line plying three times a month be-

tween New York and Venezuela decline to carry the mail for the compensation which the Postmaster-General feels authorized to give under the present law, because they say they could only carry it at a loss, and so the mails are sent by British vessels to Trinidad and from Trinidad by other British vessels to Venezuela. I am told on good authority also that under the present plan the mails are detained on an average of over two weeks longer in transit than they would be if sent by the American line.

I noticed with interest what my colleague [Mr. INGALLS] said yesterday about some of the barriers that stand between us and the South American trade. I have read the testimony. Undoubtedly there was a large measure of truth in it. The American manufacturers are in the habit of catering for the best markets of the world, for the most enlightened, intelligent, and civilized people under the shining sun. They have been constantly called on to make a better class of goods, and now the complaint is that they do not make goods that are poor enough for the South American market. I venture to say that the universal Yankee will avail himself of that hint, and hereafter South America can get goods of a poor enough quality to satisfy the leanest purse and the poorest comprehension.

Mr. President, trade is the result of many circumstances. It is the result, in the first place, of opportunity, means of communieation. Where would the West be but for the railroads that connect it with New York and the other seaboard cities? When the railroads are first built and the keen-eyed man on the Atlantic coast goes out West seeking markets for his goods, undoubtedly he would rather have the Nebraska or Kansas merchant take something he has already made for somebody else, and if he can get him to take it he will do so; but if he does not, he will make something that the merchant wants for his trade, and by reason of the fact that every day a railroad train runs outward and inward carrying the mails and carrying the persons who are to be made the subjects of this negotiation there comes about one accord, and the style of the wagon, and the cut of the coat, and the pattern of the boot, and the character of the harness, and everything else that the Western man wants demands a reciprocal creation on the part of the man who wants to supply him. It does not come at once, but it comes.

Given lines of steamers plying between New York and any South American port once a week even, and more men will travel over that line; and the man who has an impulse to trade with South America, to look about for opportunities for speculation down there, can gratify that impulse on the instant, as it were, by going to the wharf and taking the outward-bound ship; and he would go, as he would not go perhaps if he had to wait a month. When he is there he will find some way of doing something that will pay expenses at least. A journey which could be made in three weeks would have attractions which one to occupy as many months would not.

I had a long and very interesting conversation with a glass manufacturer of Steubenville, Ohio, two or three years ago. I saw the patterns of goods he was sending to South America, to Mexico, to Australia, and even to France, and he told me how when he first sent his agent down to Brazil and to Central America looking for a market he thought he could persuade the people down there that the lighter, the cheaper, and the more graceful articles he furnished his American customers would suit them best; but he said he finally gave that up, and he made up his mind he would make for them what they wanted to buy, and he did so; and he showed to me the patterns of goods which he sold to the people of Mexico and South America, each different, according to the different tastes of the locality in which the goods were used, and he was doing a thriving trade, having learned how to avoid the difficulties that my colleague spoke of yesterday, and which are liable to occur in the beginning of all trade.

When we get along to the river and harbor bill my friend from Missouri [Mr. VEST] who is so much concerned about this appropriation will vote for all the millions that anybody will propose to improve the Mississippi River and likewise the Missouri, notwithstanding the fact that the most of it will be absolutely wasted, and notwithstanding the further fact that the commerce which should go down those rivers to New Orleans is now directed elsewhere by reason of the fact that it can not be sent to its foreign market from there on account of lack of means of transportation. Why spend money to improve the Mississippi River if when you get to its mouth you encounter a condition of things which makes the transit absolutely unavailing? We have put on an average ten or twelve million dollars a year into our rivers and into our harbors, and why do that unless we are prepared, as the Senator from Georgia [Mr. BROWN] so well said; to take advantage of the road-bed and the track of the great sea that lies just beyond, to put on our ships and let them carry these products to the waiting foreign markets?

The transportation of mails, both foreign and domestic, is a national function—something to be provided for out of the national Treasury. And when the mails to be carried are those relating to our intercourse with foreign people or with our own people in foreign lands, they are in the line of our foreign commerce, which is also under the exclusive jurisdiction of the National Government. The States can not enter it, and individuals can only do so subject to the direction of the National Government. Whoever enters this field is entitled to the especial care and protection of his government, which alone can guard his interests. He is out from under the protection of the laws of his country, and is only safe so long as he is the subject of the watchful care of his own government. He encounters the merchants and sailors of all nations. His chief contention is with those of the English, the French, and the German nations, and he finds them each backed by the good-will and the power of his government, keenly solicitous for his success, ready to make war if necessary for his interest. Is it proposed that this Government, finding this condition of things existing, shall do nothing for its own; that it shall surrender its own merchants and shipmasters and adventurous people bound hand and foot to this unequal competition? Burke, the greatest of English statesmen, said:

> The stock of materials by which any nation is rendered flourishing and prosperous, are its industry, its knowledge or skill, its morals, its execution of justice, its courage, and the national union in directing these powers to one point and making them all center in the public benefit. Other than these I do not know, and scarcely can conceive any means by which a community may flourish.—*Burke's Works*, volume 5, page 279.

Whether that is the parent of the much derided "general-welfare" clause of our Constitution I do not know; but I do know that the idea was never more exactly and truly stated than in this quotation. The American people have industry; they have knowledge; and they have skill; they have morals; they see to the execution of justice; they have courage. They have a national union which can and should combine all these great attributes together for the national good and for the national welfare. Why not? Why should not our Government help its own people as much as other governments help theirs? If we are to carry on trade in foreign markets we must in some way meet the conditions imposed by what other people in the same markets are doing.

Our home market is the best in the world. There are no sixty million people anywhere and no people who use so much of all the products of industry as the American people do. Great Britain would give a mortgage on India and all its foreign possessions if it could have even one corner of our blanket lifted so that it could put the goods of her manufacturers free of duty into our market. This market we chiefly supply with home production, and it keeps our manufacturers mainly busy, but it is to our interest to still further increase manufacturing and export the product rather than to continue to export food. There need be no fear that if adequate communication is furnished with the foreign markets our manufacturers will not supply an increasing amount of products to those markets each year. The tide that has turned inward so long will with proper encouragement turn outward.

Let the National Government bring together all these faculties of which I have spoken and take the added one of the increasing disposition of our people to engage in foreign venture and see how quick in Central America and in South America there will be North American railroads, how quick in these places there will be American merchants and colonies that will not only use American goods themselves but will also establish and enlarge the markets for such goods among the native people.

American manufacturers make the best goods made in the world in most lines. There is not a saw-mill in South America that is not the product of an American foundry machine-shop; and when last year I was in the State of Iowa I found that in the Senator from Iowa's own town, Dubuque, they had just sent three large saw-mills to Manitoba. American locomotives draw trains upon English railways in Australia; me make saws and hammers, the cheaper class of cotton goods, and a thousand things that illustrate the ingenuity and the ability, the great and overmastering skill of the American mechanic, enabling him to overcome the burden of higher wages paid, and compete even against the pauper wages of Europe. Give the Yankee a chance, a fair opportunity to get from his port to the port of the foreign people whom he seeks to serve, and he will find some way of furnishing them with that which they desire, taking what they have to give in return, and I am persuaded that the time is coming when the South will enter with success into this field of trade—nay, the time has come, for notwithstanding the way in which those interests are misrepresented here I know that Birmingham and Anniston, in Alabama, Nashville, Chattanooga, and Knoxville, in Tennessee, Atlanta and other places in the South are preparing to take possession of the markets for manufactured goods in which iron and cotton are staples to be found in the countries lying along the Gulf of Mexico and the South Atlantic.

I know that with a weekly line of steamers plying between New Orleans and Brazilian ports not only the manufactures of that section of the country, centered there, could find market in South America, but I know that the bacon and breadstuffs of Missouri and Kansas would by the same route find their way to the South American people. The Texas people urge us to appropriate money for the creation of a harbor at Galveston and they say if they had a harbor Kansas agricultural products would find their way to market by that route; but if there were ten times the harbor at Galveston there is, Kansas would not send its wheat, its corn, its bacon to market that way, because when it reaches Galveston it will not meet means of transportation to the nearest and best foreign market.

Is it not a small thing to ask of the Government that it shall provide adequate mail facilities based upon the same principle of compen-

sation applied to existing inland service upon the routes leading to our foreign markets? There can be no trade without corresponding mail facilities, and similarly there can be no mails without trade. The establishment of certain, frequent, and speedy mail service will increase trade, and by increasing trade increase the postal revenues, just as such a result follows the establishment of new lines of star-route service in the West.

Is it seriously doubted that after a time, at least, there can be built in American ship-yards vessels which can, in all essentials, compete with the products of foreign ship-yards?

American capital and American labor have been too busy building railroads and ministering to the wants of Americans in new fields at home to seriously and determinedly enter upon the construction of ships for the foreign trade. The last few years have been years of great depression in ocean transportation, and so the field has been less inviting than usual. But this depression will not last forever. The time is near at hand when the adventurous American, sighing for other worlds to conquer, will go abroad seeking a field for his enterprise. He naturally wants to go in an American-made ship and under the American flag. Such proof of the skill and power of his country will aid him in his business and minister to that pride and determination which will enable him better to maintain himself in competition with the citizens of other countries.

But the Senator from Kentucky [Mr. BECK] with a philosophy which is out of line with his patriotic impulses, and sadly at variance with the truth of recent history, says there is no sentiment about ships or flags; that the average American would just as soon sail a foreign vessel and under some other flag, and that at all events he would as soon fly the American flag over a vessel made in a foreign ship-yard by foreign labor as over one built in an American ship-yard by American labor. All of which means that the American is lacking in patriotism and in national pride—in the feeling that his country is worth fighting for and dying for.

Mr. President, I think whoever comes to meet this question in that great forum in which all national questions are settled, whoever comes finally to reach the imperial will of the people of the United States, will find that down in their hearts there is such a thing as a sentiment about the flag. He will find that there is a national pride, a pride in what this country is, in what it has accomplished, in the glorious future which all believe awaits it; in the triumphs of the courage and skill of its people, and in the flag which floats over and symbolizes it all.

If the Senator from Kentucky had been with me in attendance upon a soldiers' reunion in one of the frontier counties of Kansas last September, and had witnessed and heard what I did while there, I am sure that even he would have admitted that there was not only a sentiment but a strong and a wholesome sentiment in favor of the American flag, and that it was altogether too sacred a thing to be hoisted at random over anything that was not fully American. After the more formal exercises of the day a sort of "experience" meeting was held in the evening, and among those who told what he personally knew about service in the Union Army was one who had spent a year or more in Andersonville prison. Without any of the arts of speech he told how one bright day in April, 1865, the gates of that prison were for the first time swung outward and the victims of the incarceration, the particulars of which have been burned into the recollection of every one, stepped forth and started westward for the Union lines in the vicinity of Vicksburg. The strong walked when necessary, the weak rode in the cars, where Wilson had not broken up the track, and were carried over the broken places, and thus journeying they made their way slowly westward. During the period of their incarceration none of the prisoners had seen the flag which they had enlisted to serve under, but all had doubly proved their devotion to it by refusing to desert it when in the time of their greatest suffering and despair they had been offered release on condition that they would join the confederate army—an offer which they indignantly spurned. Finally they came to the Big Black River, a short distance east of Vicksburg, where was a Federal military outpost, consisting of a company or two, and over the camp floated the Stars and Stripes.

When the flag came to the view of the men who had fought under it, and whom hunger and disease could not tempt to desert it, such a scene occurred as I have never elsewhere heard of. Some shouted, others too weak to shout wept and fell on their knees and prayed and thanked God aloud amid their sobs that they had lived to once more see the old flag. The pathos of that recital exceeded anything I have ever heard, and I had no difficulty in then and there determining for myself that whatever others might do I would never vote to put the Stars and Stripes over any vessel which was not as thoroughly American in all its parts as the flag itself—that was not representative of the best skill of the free labor of American citizens exercised upon the products of American mines and forests.

That, Mr. President, is the sentiment of nationality, which is not going to be satisfied now or hereafter with the purchase of English ships, or French ships, or German ships, out of which to make a so-called American navy or an American merchant marine over which shall float the emblem of American nationality.

It has been asserted that no matter what price we pay as compensation for carrying the mails it will not affect the freight charge made by the same vessels. Perhaps not. It will at least give us better and more frequent communication. But the Brazilian experience was such as to lead to the belief that lower freight charges may be counted on.

I quote from an official publication of the Empire of Brazil, being the report made by the commission sent by the Emperor to the New Orleans Exposition, in which the value of the establishment of new lines of steamers by means of a subsidy as realized in the experience of Brazil is set forth as follows:

> The Empire of Brazil does not profess a policy of protection, nevertheless, in consideration of the question of freights on coffee to the United States, it saw that the establishment of a line of steamers under the American flag, in competition with English steamers, would produce a reduction in freight rates, and therefore determined to grant a subsidy to a new line. The result justified the expectations of the government, and the rate of freights, which eight years ago was 75 cents to $1 per bag of coffee by the English steamers, has fallen to an average of 40 cents, and cargoes have been brought as low as 10 and 15 cents. It has been said of such cargoes that it actually cost less to bring them from Rio de Janiero to New York than to transport them after their arrival from Brooklyn to the railroads in New York or Jersey City. The truth is that the expense of the subsidy has been a profitable one to Brazil since it brought about so marked a difference in the freight rates, a difference which more than balances the tax laid to pay the subsidy.

The Argentine Republic has proposed a subsidy for a line connecting that country with the United States. The Australian colonies are paying a subsidy now for a line of steamers to San Francisco. Have we less interest in this question than those countries? And can we not afford to pay our own steamers a decent sum for carrying the mails? And if we are willing to ignore entirely incidental benefits, let us try it as we try our star-route lines on the Western prairies and see whether it will not bring increased revenues to the Post-office Department, and in this way, if in no other, compensate us for the expenditure. Is it not better to do something than to do nothing? Certainly there is room for the exercise of statesmanship in the matter of our intercourse and trade with foreign nations. Standing still furnishes no remedy. I will add but a few words for the purpose of introducing a table which was published in Executive Document No. 7, Forty-fifth Congress, third session, being incorporated in a message of the President of the United States, in which occurs a letter to the President by the then Secretary of State, now a Senator from New York [Mr. EVARTS], transmitting a reply to a resolution of the Senate adopted on the 5th of December, 1878, in which the Senate requested the President to send to it any information which might have been received by the Department concerning the postal and commercial intercourse between the United States and the South American countries, together with any recommendation desirable to be adopted for facilitating and improving such intercourse. The letter of the Secretary goes on to say, referring to the document which was transmitted in response to the resolution:

> I. It seems to be very evident that the provision of regular steam postal communication, by aid from government, has been the forerunner of the commercial predominance of Great Britain in the great marts of Central and South America, both on the Pacific and Atlantic coasts of the continent. It is no less apparent that the efforts of other European nations, Germany, France, and Italy, to share in this profitable trade have been successful in proportion with their adoption of regular steam postal communication with the several markets whose trade they sought.
>
> II. These papers show, also, that the enterprise and sagacity thus shown by European nations have actually reversed the advantage which our geographical position gives us in relation to this extensive commerce of the American hemisphere. The commercial correspondence of our merchants with the trading points on the east and west coasts crosses the Atlantic twice to make a postal connection in a circuit of trade which has its beginning and its end on our own continent. The statistics of our limited trade, under this extraordinary disadvantage, show that the growing preference for our products in these South American markets insists upon being gratified, even at the cost of a circuit of importation which carries our merchandise to Europe and incorporates it as a contribution to the volume and profits of European South American trade. No stronger demonstration of the tendency of commerce to follow in the train of postal communication can be conceived than this vast and expensive circuit of importation resorted to in default of direct opportunities between the countries of demand and supply.

And more to the same effect; and in connection with that is an appendix showing the steam fleet of the Pacific Ocean sailing under the British flag—a fleet of British vessels all the way from 500 to 4,000 tons' burden, consisting of some forty-odd steamers. Following that is a statement of the Italian and German steamers engaged in the same traffic in a locality in which the American merchant marine is practically unknown, and which, as the Secretary of State says, has been built up largely by reason of the subsidies of the British Government granted for the establishment of postal communication.

Following the suggestions made by the Secretary of State, the Senate at that session of Congress inserted in the Post-Office appropriation bill by a large majority an amendment appropriating a large sum of money as mail pay for American steamers which ply between our own and South American ports; but it failed to pass the House for reasons very like those which inspire opposition to the amendment now pending.

The PRESIDENT *pro tempore*. The Senator from Kansas will take notice that the hour of 4 o'clock has arrived.

Mr. PLUMB. I will only take two or three minutes longer.

Of course, Mr. President, British steamers can bid for the carrying of British mails when the Government is subsidizing them already to run between the ports from and to which the mails are to be carried; but that competition is merely a nominal one. Actually wherever an important British line exists it is a subsidized one (there are three such plying between Liverpool and New York now), and in view of the sub-

sidy it can not only carry the British mail for a nominal compensation if necessary, but it will also be glad to have the American mails at almost any price, not only because whatever the price may be it is that much added to their already ample compensation, but because by so doing they are thereby contributing to keep an American line off the same route.

I will ask to put these tables into the RECORD at the conclusion of my speech [see Appendix A] together with a table [see Appendix B], which I do not care to read, found on the nineteenth page of the report of the Central and South American Commission, being House Executive Document No. 226, second session Forty-eighth Congress, showing the subsidies paid by the British Government to its steamship lines from 1848 to 1882 inclusive, and with that I shall close my remarks.

APPENDIX A.

STEAMSHIP FLEET OF THE PACIFIC COAST OF SOUTH AMERICA.

The principal steamship service of the Pacific coast of South America is conducted by the Pacific Steam Navigation Company, English, which has on this immediate service, inclusive of its extension through the straits to Lisbon and to England, the following-named vessels:

	Tons.		Tons.
Aconcaqua	4,106	John Elder	4,151
Amazonas	2,020	Liguria	4,666
Araucania	3,088	Lima	1,803
Arequipa	1,329	Lontue	1,648
Ayacucho	2,200	Lusitania	3,825
Britannia	4,128	Magellan	2,856
Bolivia	1,925	Oroya	1,596
Callao	1,062	Pacific	2,008
Chili	1,750	Panama	2,008
Chimborazo	3,846	Patagonia	2,866
Colombia	2,200	Payta	1,800
Coquimbo	1,975	Peru	1,400
Cordillera	2,860	Potosi	4,218
Cotopaxi	4,027	Quito	800
Cuzco	3,845	Santa Rosa	2,000
Galicia	3,829	Santiago	1,500
Garonne	3,870	Sorata	4,013
Guayaquil	750	Supe	432
Huacho	449	Tabaquilla	240
Iberia	4,670	Talca	700
Illimani	4,023	Truxillo	1,500
Ilo	1,793	Valderia	1,975
Islay	1,588	Valparaiso	3,574

The largest of these vessels, including all of 3,800 tons capacity and over, are employed on a fortnightly line between Callao, Valparaiso, and Liverpool, sailing on every alternate Thursday from Callao and every alternate Wednesday from Valparaiso and Liverpool. On leaving the west coast, these steamers call at Punta Arenas, in the straits, and at Montevideo, Rio Janeiro, Bahia, Pernambuco, Lisbon, Vigo, in Spain, Bordeaux, and Liverpool.

The Callao and Valparaiso line runs semi-weekly, sailing from each extremity every Wednesday and Saturday, calling at twenty intermediate ports, including the shipping ports for nitrate and guano in Bolivia and Southern Peru.

The Valparaiso, Callao, and Panama lines leave Valparaiso semi-weekly, and leave Callao for Panama, and Panama on return, weekly, calling at all important points in Ecuador and Northern Peru.

Through bills of lading and passenger-tickets are issued to and from the west coast and the United States, in connection with the Pacific Mail Steamship Company and the Panama Railroad Company; also in connection with the following companies to and from Europe and the west coast, via the Isthmus of Panama, namely: The Royal Mail Steam Packet Company; West India and Pacific Steamship Company; the Compagnie Générale Transatlantique; also to to Central American and Mexican ports and San Francisco on the west coast. The Atlas Steamship Company and Hamburg-American line connect with some of their vessels at Colon (Aspinwall) to carry the freights and passengers brought up the coast by the Pacific Steam Navigation Company.

The Compania Sud America de Vapores has the following vessels on the west coast:

	Tons.		Tons.
Amazonas	1,373	Itata	
Loa	1,010	Rimal	
Loutue	1,121		

These vessels run in connection with the Pacific Steam Navigation Company's vessels between Valparaiso and Callao.

STEAMSHIP FLEETS OF THE ATLANTIC COAST OF SOUTH AMERICA.

The Royal Mail Steam Packet Company (English), the oldest of these lines has the following-named vessels in this service:

	Tons.		Tons.
Arno	757	Minhs	1,491
Belize	590	Mondego	1,540
Corsica	681	Moselle	1,093
Dei	1,208	Neva	1,882
Don	2,406	Nile	1,642
Douro	1,785	Para	2,406
Ebro	853	Severn	1,119
Elder	1,018	Tagus	1,892
Elbe	1,773	Tasmania	1,547
Escequito	1,341	Tiber	974
Guadiana	1,597	Tyne	1,207
Laone	1,068		

A considerable share of this fleet now runs in the trade of the West Indies, and does not extend to the Brazilian coast. These vessels are inferior in capacity and appointments to the newer lines.

The Compagnie des Chargeurs Réunis (French) has the following vessels in a line from Havre to the River Plate:

	Tons.		Tons.
Belgrano	1,054	Villa de Bahia	817
Henry IV	963	Villa de Rio de Janeiro	817
Bigadaria	1,778	Villa dos Santos	817
San Martin	1,743		

The Bordes Line from Bordeaux (French) has fifteen steamers irregularly in this trade, namely:

	Tons.		Tons.
Aconagua	691	Pacifique	851
Adolphe	675	Tarapaca	692
Alexandre	683	Valentia	723
Valparaiso	1,230	(And others.)	

The Liverpool, Brazil, and River Plate Steam Navigation Company (English) has the following large fleet, chiefly in the trade of the east coast, but with some voyages to the west coast, and to the West Indies and Mexico:

	Tons.		Tons.
Archimides	900	Humboldt	995
Biela	1,401	Lalande	679
Calderon	660	Laplace	901
Camoens	660	Leibnitz	1,485
Canova	602	Masklyne	1,678
Cervantes	698	Memling	673
Delambre	998	Memmon	833
Donati	947	Newton	838
Euclid	995	Olbers	1,389
Galileo	1,446	Ptolemy	758
Gassendi	801	Rubens	1,267
Halley	995	Thales	965
Helvetius	1,682	Vandyke	1,008

This is usually known as Lamport & Holt's line, and it is more widely distributed than any other, but chiefly on the east coast.

The Hamburg American line, or lines, afford the following list of fine vessels, a few of which go to South America and the West Indies:

	Tons.		Tons.
Alemania	1,766	Pomeramia	2,105
Cimbria	1,857	Rhemania	2,117
Cyclops	783	Silesia	1,900
Franconia	2,111	Suabia	2,454
Frisia	1,982	Thuringia	1,886
Gellert	2,394	Vandalia	1,945
Herder	2,313	Vulcan	745
Holsatia	1,847	Westphalia	1,945
Lessing	2,360	Wieland	2,385
Lotharingia	715		

The West India and Pacific Steamship Company (English) has the following vessels irregularly in the trade of the West Indies and South America:

	Tons.		Tons.
American	1,369	Connecticut	1,103
Andrean	1,375	Cuban	845
Australian	1,699	Haytian	1,400
Bolivian	1,577	Jamaican	1,227
Californian	1,287	Venezuelan	1,691
Caribbean	1,186	West Indian	1,278
Chilian	1,367		

The Messageries Maritimes (French) has a large fleet of fine vessels, a few of which are engaged in South American trade.

The Compagnie Générale Transatlantique (French) has a large fleet chiefly in trade with Atlantic ports of the United States and the West Indies.

The Companhia de Navigacio do Vapor de Pernambuco (Brazilian) has five small vessels in coastwise Brazilian trade.

The Amazon Steam Navigation Company (English) has a fleet of ten or twelve steamers, a part of which are for river navigation only, while a part run from Liverpool to Para.

APPENDIX B.

The following statement shows the amounts annually paid by England to steamship lines since her present system of subsidies was adopted:

Years.	Bounty or subsidy paid British ships by British Government.	Years.	Bounty or subsidy paid British ships by British Government.	Years.	Bounty or subsidy paid British ships by British Government.
1848	$3,250,000	1860	$4,349,760	1872	$5,693,500
1849	3,180,000	1861	4,703,285	1873	5,665,296
1850	5,313,985	1862	4,105,353	1874	5,697,346
1851	5,330,000	1863	4,188,275	1875	4,860,000
1852	5,510,635	1864	4,503,050	1876	4,480,261
1853	5,805,400	1865	3,981,995	1877	3,976,580
1854	5,950,559	1866	4,227,018	1878	3,914,990
1855	5,741,633	1867	4,079,996	1879	3,768,230
1856	5,713,485	1868	4,047,586	1880	3,873,130
1857	5,133,485	1869	5,481,690	1881	3,601,350
1858	4,679,415	1870	6,107,761	1882	3,538,835
1859	4,740,190	1871	6,070,741		
					163,653,356

The Silver Problem.

SPEECH

OF

HON. SAMUEL DIBBLE,

OF SOUTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 8, 1886,

The House having under consideration the bill (H. R. 5690) for the free coinage of silver, and for other purposes.

The SPEAKER. The bill, the title of which has just been read by the Clerk, is now in order for consideration and debate, and the gentleman from Pennsylvania [Mr. SCOTT] is recognized as entitled to the floor.

Mr. SCOTT. I yield half of the time allotted to me, to the gentleman from South Carolina [Mr. DIBBLE].

Mr. DIBBLE. Mr. Speaker, I thank the gentleman from Pennsylvania for his courtesy.

I am opposed to the unlimited coinage of silver dollars, as proposed in the pending bill, not because I am opposed to silver, but from the position of a bimetallist—in favor of international bimetallism, if that can be obtained, and, if that be impracticable, then in favor of maintaining both gold and silver as legal tender in our own country. In my judgment, the cause of silver is imperiled by free coinage at present. Before determining to open our mints to any one, who may desire to bring silver bullion, and have it coined into standard legal-tender dollars, it is but simple prudence for us to consider what stock of silver would flow into them for coinage. To arrive at this, let us make the best calculation we can, as to the quantity of silver bullion for sale, outside of our home supply from our own mines.

STOCK OF SILVER BULLION IN ENGLAND.

I have been unable to find any one, who is able to state, with any certainty, the stock of silver now piled up in the London market. It must, however, be very large, since in the period of about fifteen years, the price of silver bullion in that market has fallen over 20 per cent. I have been able to get some statistics, taken chiefly from the annual supplement to the London Economist, published February 21, 1885, which throw some light upon this inquiry. In that able commercial periodical, I find that from 1867 to 1884, inclusive, a period of eighteen years, silver was imported into the United Kingdom to the value of £193,000,000, or $950,000,000; while during the same period there was exported to the East, silver valued at £101,000,000, or $500,000,000.

By the tables of the British mints, we find, that in the eighteen years we are considering, less than £10,000,000, say fifty million dollars' worth of silver, was coined; and this amount included some old silver recoined, which was not supplied from importations. The parliamentary commission to inquire into the causes of silver depreciation reported in 1876, that the annual British consumption of silver in the arts was of the value of £600,000, or nearly $3,000,000—say $50,000,000 for the eighteen years. From these figures we derive the following calculation:

Imports of silver into United Kingdom		$950,000,000
Exports of silver to the East		500,000,000
Stock remaining in England		450,000,000
Deduct coinage	$50,000,000	
Deduct art consumption	50,000,000	
		100,000,000
Leaving unaccounted for, in eighteen years		350,000,000

Bear in mind, that in this calculation we have not taken into account the stock of silver bullion on hand in the London market at the beginning of the year 1867, nor the allowance to be made for recoinage of worn British coin at the mints. It is reasonable to suppose, that these two items will nearly, if not quite, counterbalance any further deductions, which should be made from the amount I have stated. And, while I do not claim that absolute accuracy can be attained in a calculation like this, yet, when coupled with the remarkable fall in the price of silver bullion, it brings to the attention of the House, that an enormous accumulation of silver has taken place at London in the last eighteen years.

STOCK OF SILVER FOR SALE IN GERMANY.

In addition to the stock in London, we learn from the statement of Baron Von Theilmann, delegate of Germany at the international monetary conference of 1881, that Germany, after coining all the silver allowed by law, and reserving 115,000,000 marks for possible increase of silver circulation, would still have for sale "a mass of three hundred and thirty-seven to four hundred and twenty-seven millions of marks," or about $100,000,000. This silver is still unsold, and in addition the German mines produced in three years, from 1882 to 1884 inclusive, silver of the value of $28,835,611. It is reasonable to suppose, therefore, that Germany has still a silver stock for sale, besides her currency, of about $125,000,000 in value.

We have, therefore, outside of and in addition to the coin in circulation a probable stock ready for sale in England and Germany of over $400,000,000.

EFFECTS OF FREE COINAGE.

If we open our mints to every one who may bring silver, and coin it at the standard weight of 412½ grains, nine-tenths fine, when in the London market that weight of silver bullion is worth only 80 cents, we would offer so great an inducement for profit, that the silver bullion of Europe would be drawn to our shores. The European purchaser of our exports, instead of paying for them with goods or gold, would send to London and buy silver bullion at 80 cents, and bring it across the ocean to our mints, have it coined into standard silver dollars, and with those dollars he would pay for our products. But when we import foreign commodities the seller of them will demand payment in gold. The consequence would be, that silver would flow in, and gold would flow out, and in a little while this country would become practically a silver nation, like Austria or Mexico, where gold is at a premium to-day. I have not yet heard any advocate of this bill discuss the consequences of such a condition of our currency; and for my own part, I am not prepared to take the risk of losing our gold, and resting our monetary system entirely upon silver. I know that the buyer in Liverpool of Southern cotton, or of Western wheat, can purchase for 80 cents in London, as much silver bullion as will furnish the raw material, out of which a standard silver dollar can be coined, and if he could send it to our mints, and have it coined for his benefit into a dollar he could pay for our cotton or wheat with it, and there would be 20 per cent. extra profit for him in the transaction; while under our present system of allowing no coinage of silver, except on Government account, he can not make such a profit, and therefore pays us for our cotton or wheat in gold. Hence we find, under our present system, that our stock of gold has been steadily increasing for the last eight or ten years.

In case of free coinage of silver, our foreign exchanges would become complicated in the extreme. At present we import foreign goods, and pay for them with our exports, and settle the balance, one way or the other, either with gold or silver, or by redeeming our bonds held abroad, when the balance is in our favor. But with open mints, and silver bullion in London 20 per cent. lower than silver legal-tender coin in this country, there would be two sets of exchanges going on. Many persons abroad, buying our goods, would send over silver to be coined into dollars to pay for the goods as I have explained; and such transactions would constitute one set of exchanges, where the accounts would balance, leaving nothing open in favor of either buyer or seller. In another set of exchanges we would be required to send abroad our gold to pay for our imports, and, in addition, to send more gold to pay interest on national, State, and corporation bonds held by foreign creditors.

At present the coinage of twenty-eight million Bland dollars every year by the Government itself, does not prevent gold coming in from abroad in much larger quantities than go out, because our exports are much greater in amount than our imports, and the surplus comes back to us either in our bonds or in gold.

I am willing to admit, that, with free coinage, the demand for silver, in order to make the profit here on the coinage into dollars, would cause a rise in the price of silver in London, and after a time it would reach or approach our ratio of 1 to 16 as compared with gold; but here would arise, in my opinion, another complication.

We know that from 1871 to 1873, Germany, Sweden, Norway, and Denmark, which had been previously silver countries, adopted gold as the basis of their currency and demonetized silver.

We are told also that France had previously contemplated a change from bimetallism to a gold standard, and Germany subsequently adopted this French idea after the Franco-Prussian war, assisted by the French indemnity of $1,000,000,000, while France was unable to do likewise on account of her reverses. But, to-day, France has recovered her financial strength, and has three times as much gold and silver as Germany, possessing $873,000,000 of gold and $600,000,000 of silver currency. She would probably embrace the opportunity, as soon as the price of silver rose near to the ratio of 1 to 16, to sell one-half of her silver coins, and establish her currency, and that of the Latin Union, on the gold basis.

British India has over $1,000,000,000 of coined silver, with scarcely any gold coinage, and has the single silver standard. It has been the fond dream of her statesmen for some time past to change to the gold standard, so as to have the same system as Great Britain, with whom her trade is carried on. In 1881, at the international monetary conference, Sir Louis Mallet, first delegate of British India, used these significant words:

> As to India, the great wish of the financial authorities in that country has been, if possible, to have a common monetary system with England. Silver being impossible, on account of the English system, they must choose between bimetallism or gold, and although for the present the latter solution would be too difficult, it is certain that if the depreciation of silver continues, and if by reason of the discovery of fresh deposits of gold, or from some other cause, the opportunity should offer itself, we should be only too ready to seize it, &c.

Russia, Austria, and Italy have already made preparations for a similar course from paper money to specie resumption in gold. Under these circumstances the free coinage of silver at our mints would give all of these nations the opportunity of parting with some of their silver, and, getting the gold which I have shown, would flee from our shores to Europe to pay the purchase-money for our imported goods and the interest we owe abroad.

Furthermore, Mr. Speaker, so long as the coinage of silver legal tender is under the exclusive control of the Government and no private person is permitted to share in any profit that may arise from the manufacture of the raw material into the finished coin, the Congress of the United States can effectually exercise its constitutional power "to coin money and regulate the value thereof." Nothing can abridge or diminish this power in such a case, except a very large over-issue beyond the needs of the people for a circulating medium. In order to disturb the parity of the silver dollar with the gold dollar in legal-tender value, there must be an inflation, not of silver bullion, but of silver coin in the country. Herein lies another danger in attracting the silver of Europe to open mints, for the silver would come to us expressly for the purpose of being coined into legal-tender money on private account, and would enter into our circulation, without governmental limitation or control. And while in ordinary times a nation coins for its citizens their gold and silver bullion, whenever presented, into money, yet the theory upon which this free coinage is based, is that the normal demand for certain coins is an indication, that they are needed for purposes of currency. But, in a crisis like the present, when some nations of Europe

are struggling for gold, and trying to repudiate silver, and therefore gold as a commodity rises in market value, on account of this demand of the nations, beyond the supply in existence, it becomes not only the prerogative of Congress under the Constitution, but its bounden duty, to control the coinage of both metals, and to regulate their value as money, so as to keep both of them in circulation at par with each other, as the "ready money of the merchant."

In the next place, the rest of the world coins silver and gold at the ratio of 1 to 15½ or less, while the United States has at present the ratio of 1 to 16, thus putting 3 per cent. more of silver in our coins, than any other commercial nation. This disparity is one of the principal obstacles to an international monetary agreement. For example, France and the other states of the Latin Union have over $600,000,000 worth of full legal-tender silver in circulation at par with gold; we have, say, two hundred and fifty millions. They will never unite with us in the free coinage of silver, unless we reduce the quantity of silver in our standard dollar, so as to conform to the ratio of 1 to 15½. Every dollar coined by us renders it more difficult for us to do this in the future; and free coinage by us now, in advance of an international agreement on the subject, would thus greatly embarrass any future arrangement with foreign nations. I believe that such an arrangement is becoming every year more and more attainable.

For these reasons, I am opposed to the free coinage of silver as proposed in the pending bill. I can not believe that it would be advantageous to the country, or to our silver currency.

AMERICAN COIN VS. BRITISH BULLION.

But, Mr. Speaker, while opposed to free coinage, I can not concur in the proposition, that the standard silver dollar is worth only 80 cents, and is "a fraud and a sham," as its foes assert. The value of silver bullion in British gold coin in the London market, is not the criterion of value of an American coin, possessing in our markets the same purchasing power as a gold dollar. I maintain, without hesitation or reserve, Mr. Speaker, that the silver dollar is worth 100 cents of our currency, in all the qualities that pertain to money.

If it were true that the standard silver dollar is "a fraud or a sham," then we should withdraw it from circulation. Upon this issue, there is no middle ground. If it is honest money, it should be sustained. If it is dishonest money, it should be replaced by honest money. And its fierce assailants are inconsistent, unless they insist that the amount now in circulation should be called in and melted down; but they have never taken that position. They seem willing that it should continue to pass from hand to hand as currency, provided the Government coins no more. In epithet, they attribute to it all the disgrace attached to counterfeit coin, but in epithet only, for they acquiesce in the continued circulation of those now in the hands of the people.

But they are still more inconsistent. They extol the wisdom of making light-weight halves and quarters, to avoid the operation of Gresham's law, and to keep them in circulation with legal-tender limit of $5. It is dishonest to issue a dollar, that has not a dollar's worth of bullion according to the London market, but it is commendable to make a half-dollar with less than half as much silver as the dollar they condemn! If one of them owes a creditor $5, and pays him five standard silver dollars, weighing 2,062½ grains of standard silver, the creditor is really paid but $4, and is defrauded of $1, because, they say, each one of those dollars is worth only 80 cents; but if the same debt of $5 is paid in ten silver half-dollars, weighing only 1,929 grains of standard silver, the creditor is paid in full, though he gets less weight of actual silver than in the former transaction! In other words, they contend that 1,929 grains of silver in token money is better than 2,062½ grains of silver of the same fineness with full legal-tender functions!

The truth is, Mr. Speaker, those who seek after fine-spun speculations in economics, are apt to lose sight of the high and sovereign function, which the American people have bestowed upon the Congress, in the power "to coin money and regulate the value thereof." This power would be of little value to the people, who require as much certainty in their business transactions as possible, if the coinage of the United States is to be affected by every fluctuation of bullion in a foreign market, and if the British silver-broker is to regulate the value of our coins, instead of the Congress of the United States. If this power is not to be exercised in favor of a stable currency, there is no efficacy in establishing a monetary unit; for the idea of a monetary unit is inevitably allied with the weight and fineness of the metal which represents it, irrespective of the fluctuations in the value of the metal as bullion, and without regard even to the purchasing power of the coined monetary unit itself.

Hence we find that Great Britain, whose example has been eloquently cited for our imitation, has in her currency to-day the silver crown, which is valued by British law at 5 shillings or 60 pence, and yet the bullion, which composes it, is worth to-day in her own markets only 44 pence, a difference of over 25 per cent. Some of our monometallists would call that silver crown "a fraud and a sham," "75 per cent. money and 25 per cent. fiat," and yet those skillful connoisseurs in trade, the British merchants, accept it cheerfully in their currency at par with gold. France and Belgium, Switzerland and Italy maintain for the 5-franc piece of silver full parity in value with the gold coinage of the several countries named, although the metal in it is worth less than three-fourths of its valuation as money, and although France has about five hundred and fifty million dollars' worth in circulation, with full legal-tender functions.

STANDARDS OF VALUE, SO CALLED.

There is much learned discussion about "a fixed standard of value," but those who use the expression will find it difficult to define it. There can be a fixed monetary unit, but, whether that unit be represented by a silver coin, or a gold coin, its purchasing power will vary, and the value of the bullion composing it will be subject to the law of supply and demand, like any other commodity. And gold bullion fluctuates in value, as well as silver bullion. Professor Laughlin, in his recent work, The History of Bimetallism in the United States, although he is an advocate of gold monometallism, says:

> Monometallists do not, as is so often said, believe that gold remains absolutely stable in value. They hold that there is no such thing as "a standard of value" for future payments, which remains absolutely invariable, &c.

And again:

> No commodity, not even gold, has any sacerdotal qualities, which keep its value invariable.

Mr. Jevons, in an able publication, proved clearly that after the discoveries of gold in California and Australia, its increased production caused a fall in its value of from 9 to 15 per cent. Chevalier, the great French economist who advocated so ably the adoption of the gold standard in France, then advised the silver standard, in consequence of the decrease of the value of gold. Several European nations were seized with a gold panic then, and took refuge in silver, in like manner as they have recently been anxious to flee from silver to gold. In fact, therefore, there is no absolute standard of value, and can not be, for the items that constitute value are changeable. Hence the fallacy of comparing gold to a yardstick, or a quart measure, and speaking of silver and gold bimetallism as the using of two yard-sticks of different lengths, each called a yard, or two quart measures of unequal capacities, each called a quart.

The answer is that if gold is adopted as a standard of value you have a yard-stick that is longer to-day and shorter to-morrow; or a quart measure that holds more at one time than it does at another. Currency of gold, or of silver, or of both, is simply a medium, by which to compare the relative values of commodities at any given time. And when money becomes the medium of credit transactions, its use involves an additional incident, which does not enter into spot transactions, and that is, that both the creditor and the debtor take the chances of the future purchasing power of the commodity, into which they resolve their bargain. Every credit is in one sense a speculative transaction, for the parties are not certain, that when the transaction is completed, the creditor, in getting principal and interest, will get as much purchasing power, or more, or less, than when he lent his money, or than the cash value of goods sold by him to his debtor. It is in view of this fact that Professor Laughlin says:

> The highest justice is rendered by the state, when it exacts from the debtor, at the end of a contract, the same purchasing power which the creditor gave him at the beginning of the contract—no less, no more.

PRICE LEVELS.

It is interesting to consider this subject in connection with the doctrine advanced by Mr. Mulhall, the eminent author of the History of Prices, published last year in England. He maintains, that the aggregate of the world's commercial transactions at any given time, compared with the prices of that particular time, will give the price level; and by applying to the same volume of transactions the prices of a different period, it is possible to ascertain whether prices have risen or fallen, and how much; and that the real standard of value would be the average of prices in the exchanges of the world at a given time, used as a standard of comparison with the prices at any other given time, Take the whole volume of exchanges during one year—say the exchanges of 1884—and compare prices with the prices of 1860, and make the inquiry: "What would the same quantities and kinds of goods as were exchanged in 1884 in the civilized world have brought, if the prices had been the same as they were in 1860?"

This is Mr. Mulhall's method of comparing prices. By taking the prices of 1860, and applying them in detail to the whole volume of the exchanges of 1884, and comparing the result with the aggregate of the actual prices of 1884, he ascertained whether prices have risen or have fallen, and how much. Now, in that comparison the average of prices of 1884 is, for the time being, the standard with which to compare the prices of 1860; or you can transpose the factors, and say that the prices of 1860 are the standard, with which to compare the values of 1884. The average of prices is the only standard of value, with which you can compare values at any other time.

We are told by mathematicians, that when the ocean is lashed into a storm, and the waves are rising and falling in madness and fury, there is, at every instant of the tempest, amid all these violent fluctuations, a general average level, to which the surface of the ocean conforms. That surface changes with every motion, but the general average level remains the same; and such a level as truly exists, as if the ocean were in a dead calm, and its surface were like a sea of glass. So is it with the average of prices at any given time. Prices fluctuate in the commotion of commercial exchanges, but, despite the rise of some and the fall of others, there exists a general average or level of prices, just as the

sea has its level even in a storm, and that level of the current exchanges is the standard for the time being of prices and of values.

HAS SILVER FALLEN IN PRICE?

Now, Mr. Speaker, let us take silver and, measure it by this standard. In 1871, 100 cents' worth of silver bullion in the standard dollar coincided as a unit of currency with our gold dollar, whose metal was valued then at 97 cents. The quantity of silver in a standard dollar was then worth about 3 cents more than the gold in a gold dollar. To-day, taking the London market (simply for the sake of the argument, without conceding that it should enter into the matter at all), we find the silver bullion in the standard dollar now, in that market, to be 20 cents less in market value, than the gold we put into a gold dollar. That makes a fall of 23 cents for silver, as compared with the gold standard of England.

Mr. Mulhall is a British writer, and constructs all his tables on a gold basis; hence I take the London market for the comparison I am about to institute. By examining his tables, and those of other distinguished financial statisticians, we find that from 1871 to the present time the fall of prices has been between 23 and 25 per cent., taking the average in the manner I have indicated, and also by the old methods, previously adopted by political economists. So that the bullion in a silver dollar melted down to-day will buy of the commodities of the world just about the same amount, as the silver dollar melted down in 1871 would then have bought of those commodities.

No more striking illustration of this can be found, than is presented in the table prepared by Mr. Joseph H. Walker, a gold monometallist, and attached to his "Address on the perils of wage-workers in continued silver coinage," and referred to in the recent speech of the gentleman from Massachusetts [Mr. LONG] on the silver question. I accept that table, from the enemies of silver, as showing the purchasing power of silver bullion at this time, compared with its purchasing power in 1871, fifteen years ago. I will insert so much of the tables as will illustrate the matter I am discussing.

Yearly cost of supplies of a family of four persons at the lowest point.

Supplies.	Amount.	1868.		1869.		1870.		1871.		1872.		1873.		1874.		1875.		1876.	
		Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total
Flour.....bbls...	3	$12.00	$36.00	$8.25	$24.75	$8.00	$24.00	$8.00	$24.00	$9.00	$27.00	$9.00	$27.00	$8.00	$24.00	$8.00	$24.00	$8.00	$24.00
Corn-meal.....lbs...	150	.08	12.00	.045	6.75	.05¼	7.87	.05	7.50	.04	6.00	.035	5.25	.045	6.75	.04	6.00	.035	5.25
Granulated sugar.....lbs...	150	.17	25.50	.16	24.00	.145	21.75	.14	21.00	.135	20.25	.125	18.75	.125	18.75	.12	18.00	.12	18.00
Fresh beef.....lbs...	200	.20	40.00	.16	32.00	.17	34.00	.18	36.00	.16	32.00	.16	32.00	.16	32.00	.16	32.00	.16	32.00
Corned beef.....lbs...	100	.15	15.00	.08	8.00	.085	8.50	.09	9.00	.08	8.00	.08	8.00	.08	8.00	.08	8.00	.08	8.00
Pork.....lbs...	100	.15	15.00	.17	17.00	.16	16.00	.15	15.00	.15	15.00	.13	13.00	.15	15.00	.12	12.00	.12	12.00
Lard.....lbs...	24	.22	5.28	.21	5.04	.20	4.80	.18	4.32	.18	4.32	.19	4.56	.21	5.04	.20	4.80	.19	4.56
Ham.....lbs...	16	.20	3.20	.195	3.12	.22	3.52	.145	2.32	.15	2.40	.14	2.24	.15	2.40	.155	2.48	.155	2.48
Codfish.....lbs...	100	.095	9.50	.10	10.00	.085	8.50	.07	7.00	.07	7.00	.05	5.00	.07	7.00	.08	8.00	.07	7.00
Tea.....lbs..	12	1.75	21.00	1.50	18.00	1.25	15.00	1.00	12.00	.875	10.50	.875	10.50	.875	10.50	.75	9.00	.75	9.00
Butter.....lbs...	75	.45	33.75	.40	30.00	.40	30.00	.35	26.25	.30	22.50	.37	27.75	.37	27.75	.33	24.75	.35	26.25
Cheese.....lbs...	10	.17	1.70	.16	1.60	.16	1.60	.17	1.70	.15	1.50	.17	1.70	.16	1.60	.15	1.50	.15	1.50
Coal.....tons...	4	9.00	36.00	10.00	40.00	10.00	40.00	10.00	40.00	8.50	34.00	9.50	38.00	9.50	38.00	9.00	36.00	7.25	29.00
Beans.....bush...	1	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.50	3.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Potatoes.....bush...	12	1.25	15.00	1.00	12.00	1.00	12.00	1.25	15.00	1.25	15.00	1.50	18.00	1.20	14.40	1.00	12.00	1.00	12.00
Shoes.....pairs...	3	2.25	6.75	2.25	6.75	2.00	6.00	2.00	6.00	2.00	6.00	2.00	6.00	1.85	5.55	1.85	5.55	1.75	5.25
Cotton cloth.....yds...	20	.18	3.60	.18	3.60	.16	3.20	.16	3.20	.16	3.20	.15	3.00	.13	2.60	.12	2.40	.11	2.20
Prints.....yds...	20	.17	3.40	.17	3.40	.15	3.00	.15	3.00	.15	3.00	.14	2.80	.12	2.40	.11	2.20	.10	2.00
Denims.....yds...	5	.24	1.20	.24	1.20	.22	1.10	.22	1.10	.22	1.10	.21	1.05	.19	.95	.18	.90	.17	.85
Satinets.....yds...	12	1.00	12.00	.67	8.04	.625	7.50	.625	7.50	.55	6.60	.50	6.00	.50	6.00	.50	6.00	.45	5.40
Town rent.....	.....	5.00	60.00	5.00	60.00	5.00	60.00	5.00	60.00	5.00	60.00	5.00	60.00	5.00	60.00	5.00	60.00	5.00	60.00
Total.....	.....	.....	359.88	.....	319.25	.....	311.34	.....	304.89	.....	288.37	.....	294.60	.....	291.69	.....	278.58	.....	269.74
Rents in factory village.....	.....	3.34	40.08	3.21	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08
Cotton (middling fair).....	.....	.32	.....	.36	.....	.20	.....	.19	.....	.205	.....	.185	.....	.15½	.....	.14	.....	.115	.....
Cost of food in public institutions...	.....	.....	73.65	.....	71.20	.....	67.00	.....	67.92	.....	68.23	.....	60.16	.....	58.40	.....	59.50	.....	52.64

Supplies.	Amount.	1877.		1878.		1879.		1880.		1881.		1882.		1883.		1884.		1885.	
		Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.	Price.	Total.
Flour.....bbls...	3	$10.25	$30.75	$10.00	$30.00	$10.00	$30.00	$9.25	$27.75	$9.50	$28.50	$10.00	$30.00	$9.00	$27.00	$8.00	$24.00	$7.00	$21.00
Corn-meal.....lbs...	150	.03	4.50	.03	4.50	.03	4.50	.03	4.50	.025	3.75	.025	3.75	.025	3.75	.025	3.75	.025	3.75
Granulated sugar.....lbs...	150	.125	18.75	.12	18.00	.11	16.50	.105	15.75	.10	15.00	.105	15.75	.10	15.00	.09	13.50	.075	11.25
Fresh beef.....lbs...	200	.16	32.00	.12	24.00	.13	26.00	.13	26.00	.13	26.00	.17	34.00	.15	30.00	.15	30.00	.12	24.00
Corned beef.....lbs...	100	.10	10.00	.08	8.00	.09	9.00	.09	9.00	.09	9.00	.12	12.00	.105	10.50	.11	11.00	.10	10.00
Pork.....lbs...	100	.12	12.00	.09	9.00	.08	8.00	.09	9.00	.125	12.50	.145	14.50	.105	10.50	.10	10.00	.10	10.00
Lard.....lbs...	24	.105	2.52	.08	1.92	.08	1.95	.10	2.40	.125	3.00	.135	2.24	.105	10.50	.10	2.40	.10	2.40
Ham.....lbs...	16	.14	2.24	.11	1.76	.11	1.76	.11	1.76	.125	2.00	.155	2.48	.135	2.16	.125	2.00	.115	1.84
Codfish.....lbs...	100	.08	8.00	.10	10.00	.06	6.00	.06	6.00	.06	6.00	.08	8.00	.08	8.00	.08	8.00	.08	8.00
Tea.....lbs...	12	.70	8.40	.70	8.40	.70	8.40	.65	7.80	.65	7.80	.55	6.60	.55	6.60	.55	6.60	.55	6.60
Butter.....lbs...	75	.27	20.25	.25	18.75	.35	26.25	.35	26.25	.35	26.25	.35	26.25	.35	26.25	.27	20.25	.23	17.25
Cheese.....lbs...	10	.12	1.20	.13	1.30	.15	1.50	.16	1.60	.145	1.45	.16	1.60	.175	1.75	.16	1.60	.14	1 40
Coal.....tons...	4	6.50	26.00	6.50	26.00	5.50	22.00	7.00	28.00	7.00	28.00	7.00	28.00	6.75	27.00	7.00	28.00	6.50	26.00
Beans.....bush...	1	2.80	2.80	2.50	2.50	2.50	2.50	2.50	2.50	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Potatoes.....bush...	12	.60	7.20	.875	10.50	.625	7.50	.625	7.50	1.10	13.20	1.00	12.00	.75	9.00	.80	9.60	.80	9.60
Shoes.....pairs...	3	1.75	5.25	1.65	4.95	1.65	4.95	1.65	4.95	1.60	4.80	1.65	4.95	1.60	4.80	1.60	4.80	1.50	4.50
Cotton cloth.....yds...	20	.08	1.60	.08	1.60	.08	1.60	.075	1.50	.075	1.50	.075	1.50	.07	1.40	.07	1.40	.065	1.30
Prints.....yds...	20	.07	1.40	.07	1.40	.07	1.40	.065	1.30	.065	1.30	.065	1.30	.06	1.20	.06	1.20	.055	1.10
Denims.....yds...	5	.17	.85	.17	.85	.17	.85	.15	.75	.15	.75	.15	.75	.14	.70	.13	.65	.125	.625
Satinets.....yds...	12	.40	4.80	.40	4.80	.40	4.80	.40	4.80	.40	4.80	.40	4.80	.40	4.80	.375	4.50	.375	4.50
Town rent.....	.....	4.50	54.00	4.50	54.00	4.50	54.00	4.50	54.00	4.00	48.00	4.00	48.00	4.00	48.00	4.00	48.00	4.00	48.00
Total.....	.....	.....	254.51	.....	242.23	.....	239.43	.....	243.11	.....	246.60	.....	262.47	.....	243.93	.....	234.25	.....	216.11
Rents in factory village.....	.....	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08	3.34	40.08
Cotton (middling fair).....	.....	.11¼	.....	.....	.....	.....	.....	.115	.....	.....	.....	.....	.....	.10	.....	.....	.....	.10	.....
Cost of food in public institutions..	.....	.....	59.52	.....	45.88	.....	43.56	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

This table shows the yearly cost of supplies for a family of four persons at the lowest point. Computing provisions, clothing, rent, and all the supplies of a family by the market prices of 1871, it took at that time $304.89, at the lowest point, to supply a family of four persons with the necessaries of life. In 1885, exactly the same quantities of the necessaries of life could be obtained for $216.11, a fall of 30 per cent. in our prices in fourteen years. We can take two hundred and sixteen standard dollars now, and buy those articles, which it would have required three hundred and four standard dollars to have purchased in 1871.

But suppose we submit this matter to the "fire test," as some gentlemen have called it, as if the Bland dollar was to be melted by fire in the pockets of the people, or in the fire-proof safes of the country. Take the three hundred and four standard dollars, that purchased the supply of life's necessaries in 1871; take them out of the pockets of the people, and melt them down, and make bullion of them; send that bullion to London and sell it at 80 cents on the dollar, and bring back the proceeds of sale to this country, in gold, if you please. There will be $240+; and it takes only $216 to buy the same amount and kind of products, which the three hundred and four standard dollars, in their original coined state, would have bought in 1871, so that you have now $24 to spare.

I give this illustration, Mr. Speaker, to show that silver bullion has not fallen, in comparison with the price level of the world; and that in purchasing power—the true criterion of the value of metallic currency—it has not depreciated. And I have already cited one of the most distinguished monometallists of the day, to show the recognition of the doctrine, that purchasing power is the true criterion of the value of money; and upon that basis there can be but one conclusion, that silver has not depreciated, but that gold has appreciated in value.

WHY HAS GOLD RISEN IN PRICE?

What have been the causes of this disparity between the two metals? For my part, Mr. Speaker, I believe it to be a temporary disparity, and that it has no element of permanency about it. It has resulted from a temporary abnormal demand upon the gold market, which I trace in this way:

We find that, at the close of the Franco-Prussian war, France required 5,000,000,000 francs ($1,000,000,000) to pay the German indemnity. The statistics of the transaction show that she paid $58,000,000 of that amount in gold, coined at the French mint; that she had to use her credit, and borrow from England and her neighbors another portion of the amount, and if I remember rightly, the only portion paid in silver, was a small part of the indemnity drawn on the Belgian Bank. The rest of it was settled in gold, or by drafts on the basis of gold, and the payment of such large amounts necessarily created a stringency in the money markets of Europe. What followed? Germany, while the money markets of Europe were straitened by this heavy drain upon their resources, determined to abolish the local coinage of the several states, based on silver, and to adopt instead an imperial coinage on a gold basis. In order to accomplish this result, Germany offered for sale over 11,000,000 pounds of silver, and actually sold over 7,000,000 pounds from 1873 to 1879 inclusive, while she coined, up to the end of 1880, imperial gold coins amounting to 1,747,237,095 marks, withdrawing during the same time 1,080,486,138 marks of old coins of the several states, and therefore purchasing to the amount of about 700,000,000 marks, or $170,000,000 worth of gold for the purpose.

The SPEAKER *pro tempore* (Mr. HAMMOND). The time of the gentleman from South Carolina has expired. Does the gentleman from Pennsylvania [Mr. SCOTT] desire to yield further time?

Mr. SCOTT. The gentleman from Texas [Mr. LANHAM] proposes to give the gentleman from South Carolina [Mr. DIBBLE] ten minutes of his time.

Mr. LANHAM. I am entitled to the next hour; and it is my purpose to yield ten minutes of my time to the gentleman from South Carolina. After that, I believe the gentleman from Pennsylvania will occupy the residue of his time, and then I shall have fifty minutes.

The SPEAKER *pro tempore*. The gentleman from South Carolina will proceed for ten minutes longer.

Mr. DIBBLE. Thanks to my friend from Texas for his kindness.

I have been discussing, Mr. Speaker, the causes of the appreciation of gold bullion in the money market, and have mentioned two of the agencies producing that effect:

First. The drain upon the monetary resources of Europe, in order to supply France with the means to pay to Germany the indemnity of 5,000,000,000 francs, or $1,000,000,000.

Secondly. The consumption of $170,000,000 worth of gold by Germany, in addition to old gold coinage, in establishing an imperial currency under the laws of 1871 and 1873.

The third cause is found in the action of Denmark, Norway, and Sweden, who formed the Scandinavian monetary union, by treaties made in 1872 and 1873, and adopted a common monetary system, changing from a silver to a gold basis, and selling silver and buying gold.

Fourthly, the action of the United States from 1873 to 1879 in hostility to silver, and our resumption of specie payments practically in gold, rather than in gold and silver, exercised a much greater influence in disturbing the parity of gold and silver than is usually supposed. And, in order to appreciate this fully, let us briefly review the position of the silver dollar in our currency.

The standard silver dollar of 412½ grains, nine-tenths fine, contains 371¼ grains of pure silver; the rest is alloy. It was first coined in 1792, and from that time to the present, the quantity of pure silver in it has never been changed. The weight was reduced from 416 grains to 412½ grains by act of January 18, 1837, by reducing the alloy, a matter not affecting its intrinsic value, but simply rendering it more convenient as currency. Until 1849, it was the sole coin representative of our monetary unit, and our gold coins were multiples in value of that unit. In 1849, one-dollar gold coins were authorized for the first time.

Up to 1834, by reason of having fixed the ratio of silver to gold in our coins at 1 to 15, when the bullion market ratio, and the European coin ratio also, was 1 to 15½, the bullion in our gold coins exceeded slightly in value the coins themselves. To remedy this the Congress (in 1834) reduced the quantity of gold in our eagles and other gold coins about 6 per cent., thus establishing the present ratio of 1 to 16 between the two metals. From the first enactment our coin basis was bimetallic, with the dollar as the monetary unit, containing 371¼ grains of pure silver, its equivalent in gold coinage being estimated at first at 24¾ grains of pure gold to the dollar, and after 1834 at 23¼ grains, at which last rate one-dollar gold pieces have been coined in small quantities since 1849. The weights I have given are exclusive of alloy.

This condition of our coinage continued until 1873, when the coinage of standard silver dollars was suspended; and in 1874, in the codification of the United States laws, the legal-tender quality of all silver coins was limited to $5; and thus, through inadvertence, Congress impaired the legal-tender function of the standard silver dollars then in circulation. In 1878 the full legal-tender function was restored and the coinage of standard silver dollars was resumed under the law usually called the Bland act; but which came from a bill of Mr. KELLEY, of Pennsylvania, in 1876, providing for free coinage of silver, which was then passed by the House, but was not taken up in the Senate; and in the next Congress Mr. BLAND, of Missouri, renewed the proposition. It was again passed by the House, but was modified in the Senate by the amendments of Senator ALLISON, of Iowa, striking out free coinage, confining the coinage to Government account and directing the purchase of not less than two million nor more than four million dollars' worth of silver bullion per month for the purpose. Silver is now coined under this law.

Having thus briefly sketched the history of the silver dollar in our currency, it will be noticed that in 1873, when the actual circulating medium of this country was paper money entirely, the act was passed demonetizing the silver dollar, and establishing the gold monometallic basis in our currency. And although in our own country it was unnoticed for several years, and had no appreciable effect on our home circulation, since at that time gold and silver were both at a premium, and not used as currency, yet to foreign nations, who, as we have seen, were just at the same time grasping for more gold, and changing from silver to gold, it was an indication of a new demand for gold in the future, whenever the United States should resume a specie basis. Hence it is reasonable to suppose, that the act of 1873 had an important influence in London, in raising the price of gold. And when, in 1875, the resumption act was passed, providing for the specie basis on and after January 1, 1879, another blow was struck at silver, in my judgment still more hurtful than the act of 1873. This act provided that on and after January 1, 1879, the Secretary of the Treasury should "redeem in coin," at the New York subtreasury, the greenbacks in sums of not less than $50.

Now, it will be observed that silver coins by the act of 1873 and the Revised Statutes of 1874 were, at the time of the passage of the resumption act, legal tender only to the amount of $5; therefore the resumption act was really a provision for resumption on a gold basis in 1879. It appears to me, Mr. Speaker, that nothing could have been more unwise and unbusinesslike, than such a provision. Our country was involved in the meshes of a paper currency, with the precious metals at a premium, and with only a small quantity of gold in the Treasury, and it was regarded as very doubtful whether, in the short time provided in the act, the United States would be able to meet the demand for specie on the day named for resumption, without embarrassing the Treasury or producing financial disturbance in the trade of the country. And yet, with a large home production of both silver and gold, and therefore having the resources of two metals, ready at hand in that emergency, the act virtually provided for resumption without the assistance of silver at all. And although, prior to the date fixed for resumption, the act of 1878 was passed, restoring the full legal-tender function to the standard silver dollar, and providing for its coinage, yet the executive department of the Government, in carrying out the directions of the resumption act, ignored silver and made use of gold only. Hence we can easily see that the acquisition and storing of gold in the Treasury of the United States from 1875 until and after resumption had begun must have had a very great influence toward increasing its market value, both at home and abroad, as compared with silver, which failed to receive equal recognition as a money metal from those who administered our finances.

While these events were transpiring, the silver mines of Nevada and the surrounding Territories gave promise of unlimited production. The Comstock lode became of world-wide fame. The prospect of immense fortunes to be made in silver-mining stocks urged the speculators and stock jobbers to represent every vein of silver as of priceless value, and while dishonesty salted the mines, skillful financiering bulled the stocks. The consequence was, that the commercial world took a panic about silver, and the nations hastened to get under the shelter of gold, very much as had happened earlier in the century, when, during the Californian and Australian gold fevers, they had rushed into silver.

At that time France, having the largest metallic stock in the world, threw herself into the breach and arrested the panic by her free coinage of both silver and gold on the basis of 1 to 15½.

But at the time of this silver panic we have seen that France was being drained of five thousand million francs of her metallic currency, in the German indemnity, and she was, therefore, powerless; and our United States financiers themselves seem to have partaken of the panic; and besides, the United States was then struggling under the disadvantages of a paper currency. Hence came the rapid appreciation in the value of gold bullion as compared with the prices of all other commodities, silver bullion included.

INTERNATIONAL BIMETALLISM.

But let us look at the situation calmly, and we will observe that the prospects are favorable to a restoration of the par of the metals. France has recovered her gold, and is the strongest nation of the world in the supply of both metals; Germany is no longer selling her silver, and a strong party is now urging the adoption of bimetallism, and the coinage of the surplus she now has on hand; and the annual production of our silver mines has become known to the world through official statistics. There are no new or continuing causes in operation tending to depress silver, which are likely to have any effect upon the markets, excepting, perhaps, the sensational attacks of a few newspapers upon it, and these will die away, as soon as we come to a conclusion upon this question in Congress. And, in my judgment, the conclusion ought to be a compromise between the extreme positions taken by the gold monometallists and the silver monometallists. There is room here for wise legislation; and I regret that this bill is to be considered under the operation of the previous question, for it should be open to the utmost freedom of amendment permitted by parliamentary usage.

The advocates of the passage of this bill, in view of what I have said, may cite the example of France when she arrested the gold panic of thirty years ago by free coinage of both metals, as a precedent for similar action now on our part. But our monetary condition is not such as that of France was at that time, nor even is it such as that of France to-day. It is possible that France and the United States, with the other States of the Latin Union, might to-day bring complete relief to the situation by open mints, provided that our ratio of silver to gold was the same; but the fact is, that France and the Latin Union have closed their mints to silver, and no one at all informed on the subject need be reminded, that the United States has not sufficient resources to attempt single-handed the feat of regulating the metallic circulation of the world.

When France accomplished this, she was, as she is to-day, the strongest of all the nations of the earth in metallic currency, and could endure any drain upon either of her metals from the surrounding nations without exhaustion, while the United States is weak in gold and silver, considering our immense territory and rapidly increasing population. France is compact, and with a dense, settled population, changing but little, and conservative, rather than speculative, in their habits, while we have large areas now being opened to civilization, with a sparse population, so that money does not circulate rapidly, as in dense communities, and with a spirit of enterprising speculation in every part of the country.

But what is more than all this, France is a creditor nation, and receives money from other nations, while the United States is a debtor nation, and large amounts of our securities are in the hands of foreign creditors, in England, Holland, France, and Germany. If we had the same amount of gold and silver coin per capita as France, and were also a creditor nation, so that we would be receiving from the rest of the world instead of paying out, then our gold and silver coin would probably both be safe with free coinage; but as a debtor nation, and with a scant stock of gold and silver money, the effect of free coinage would be, as I have stated, to bring us to a silver basis. In this connection, it is well to consider that France has per capita over $23 of gold, and over $16 of silver money; while the United States has per capita less than $17 of both gold and silver combined.

It is in realizing such facts as these, that the advantage of settling the money question by international agreement becomes apparent. And in spite of assertions of the friends of this bill to the contrary, I think that there is a great advance in public sentiment in Europe, in the direction of such a settlement. It is very manifest, when a comparison is instituted between the conduct of the European nations in 1878 at the international conference of that year, and their action at the conference of 1881.

By the act of February 28, 1878, the President was directed to invite the nations of the Latin Union, and such other European nations as he deemed advisable, to join with us "in a conference to adopt a common ratio between gold and silver for the purpose of establishing internationally the use of bimetallic money, and securing fixity of relative value between those metals."

THE CONFERENCE OF 1878.

Commissioners were appointed to represent the United States, and the invitation extended to the commercial nations of Europe, was accepted by France, England, Holland, Belgium, Russia, Austria, the Scandinavian Union, Switzerland, and Italy. Of these nations, at that time, only Austria and Italy supported with energy the bimetallic propositions of the United States. Holland, though in favor of bimetallism, thought it would require agreement of France, England, and the United States, to make it practicable. Russia said she would offer no obstacles, if the others agreed. France, England, Belgium, Switzerland, and the Scandinavian Union were opposed to any international agreement on the subject. Germany refused to accept the invitation of the United States, and also declined a subsequent invitation from the conference itself, after it had assembled, to take part in its proceedings. At the close of the conference, the European delegates joined in reply to the American proposition, in these terms:

1. That it is necessary to maintain the monetary rôle of silver in the world as well as that of gold, but that the choice between the employment of one or other of the two metals, or the simultaneous employment of both, should be governed by the special situation of each state or group of states.

2. That the question of the limitation of the coinage of silver should also be left to the free decision of each state or group of states, according to the particular conditions in which they may be placed, and this the more so as the perturbations which have arisen of late years in the silver market have variously affected the monetary situation of the different countries.

3. That in view of the divergencies of opinion which have been manifested, and of the impossibility even for the states which have the double standard to make any engagement relative to the unlimited coinage of silver, there is no ground for discussing an international ratio of value to be established between he two metals.

In other words, the propositions of 1878 were declined by the European states, acting together, and their reply meant simply that each state would act for itself, and stand ready to profit by any mistake made by its neighbors. And thus the conference of 1878 terminated.

THE CONFERENCE OF 1881.

But public sentiment had greatly changed by 1881. In that year France and the United States simultaneously invited the other powers to reassemble in monetary conference at Paris. This invitation was accepted by all the nations which had been represented at the conference of 1878, and also by Germany, Greece, Spain, Portugal, British India, and Canada. This conference, after thirteen sessions, adopted as its opinion—

That there is ground for believing that an understanding may be established between the states which have taken part in the conference, but that it is expedient to suspend its meetings; that, in fact, the monetary situation may, as regards some states, call for the intervention of their governments, and that there is reason for giving an opportunity at present for diplomatic negotiations.

And it then adjourned for one year. Since then, France and the United States jointly proposed further adjournment, to which the other powers consented. It is interesting to note specially the suggestions submitted by England and Germany, after a full interchange of opinions among the delegates of the several states, for Germany and England are the two great powers which have the single gold standard.

The English proposition was, that if other countries adopted rules insuring certainty of conversion of gold into silver and silver into gold, the Bank of England would be willing to issue their notes for silver, at the ratio used by other nations, to the extent of one-fourth of its gold on hand in the issue department, and to redeem the notes on demand in gold.

The German declaration was made at the second session of the conference, and proposed (1) to abstain from all sales of silver for some years; (2) during another period, to be fixed, to sell annually only a small quantity, so as not to glut the market; (3) eventually to withdraw gold and paper money of the denomination of 5 marks ($1.19 in United States currency), and replace them with silver pieces of 5 and 2 marks, taking as a basis the ratio of 1 to 15½.

Hence we find that at this conference Germany and England both favored the rehabilitation of silver to its proper place in the money of the world, and proposed to give it further recognition in their own monetary systems. The contrast is very great between this action and the course of these powers three years before. Then Germany refused even to attend, and England attended only to declare war upon silver and an international agreement, but in 1881 both earnestly declare a friendship for silver, and confess an anxiety that an international agreement may be consummated.

THE PRESENT.

Five years have elapsed, and what is the situation now? All of the agricultural interests in the German Empire are demanding the restoration of silver to full currency powers, and in the Reichstag the question is now in agitation, as is the case here to-day. England is inquiring whether bimetallism has not become with her a necessity of trade; and some of her ablest financiers, including two who have occupied the position of governors of the Bank of England, are pronounced bimetallists. A convention of delegates from her chambers of commerce has demanded parliamentary inquiry upon the subject. And it is significant to observe that it has been proposed that a British trade-dollar be coined, to take the place of the Mexican dollar in the Eastern trade; and in its issue of February 13, 1886, the London Economist editorially advocates its coinage. And in January of the present year the Latin Union, which maintains the full legal-tender power of both gold and silver at the ratio of 15½ to 1, renewed their agreement to do so for five years longer.

AN INTERNATIONAL RATIO.

Such is the situation across the ocean, and it is auspicious for the renewal of negotiations to arrive at a common ratio, and to attain international recognition of gold and silver alike as legal tender at such ratio. At the last monetary conference, Mr. Evarts, on behalf of France and the United States, proposed the ratio of 1 to 15½, and as nine-tenths of the legal-tender silver of the world is coined upon that ratio or a lower one, there is little doubt it would be the one adopted by common consent.

If such should be the case, it would settle in a satisfactory way several problems of financial policy, which are sources of constant difficulty and irritation. One of these problems is, how to avoid general contraction of the currency of the world to about three-fifths of its present metallic basis, by the universal demonetization of silver. Against such contraction, the common consent of the nations to a binding agreement

for mutual international recognition of both gold and silver at a fixed ratio, is the only certain safeguard.

In round numbers the coin currency of the world is estimated at about $7,000,000,000, of which about one-half is gold, and the other half is silver. Should silver be demonetized, I estimate that, after a liberal allowance for the use of silver in small change, the volume of the coin circulation would be reduced to about 60 per cent. of its present aggregate, and all prices would gravitate downward, and we would have falling markets, until the new price-level was established to match the diminished circulation. Contemplate for a few moments the disasters which would arise from the constant decline of prices in all business transactions. The retail merchant would find that ere he could dispose of his goods the prices would have fallen below the wholesale rates he had paid for them. The debtor who had borrowed money, would find such scarcity in the gold, in which he would be required to pay, that he would be unable to meet his obligations, and bankruptcy and black ruin would settle over commerce and credit like a pall. The holder of gold would cling to the yellow treasure, and by the process of hoarding, the circulation would be still further contracted, and the cry of the poor for bread would necessitate the issue of large volumes of paper money, without metallic support, to meet the exigency. No such convulsion has ever occurred in the history of trade, as we would experience, on the world's demonetization of either one of the standard money metals.

To a debtor country like the United States, it would mean increased burdens of taxation, and injury to the public credit. Our volume of imported goods paying duty might be as large as at present, but the value would be little more than one-half, and all ad valorem duties would be reduced to correspond with the cheaper invoices. The revenues from customs duties would be constantly decreasing, and yet the interest and principal of the public debt would be on the same basis as at present. Hence our financial resources would be crippled, while our obligations would not be correspondingly diminished in their burdens.

In this connection it is well to observe that only the public creditor, the holder of United States bonds for instance, could derive any advantage from such a contraction of the world's currency. The circulating medium of trade being diminished in amount, its purchasing power would be greatly increased, and in obtaining from the Government his interest and principal, he would receive payment in a medium having much greater purchasing power than the money which he lent to the Government. But the private creditor would be ruined, for the general bankruptcy of the debtors of the land would cause him to lose his debt.

If the private creditor could collect his debts he would be benefited in like manner as the public creditor; but, as I think I have shown, the debtor class would not be able to respond to their obligations, and but few private debts would be worth anything at all. This would destroy credit and faith in further commercial transactions absolutely, until the world's business had fully adjusted itself to the new state of the circulation.

Speaking for my own constituency in the South, I present another consideration here. We feel that the silver monometallism of India is exceedingly injurious to the prices of our principal exportable product. The common farmer of that country, far removed from the intelligence conveyed by the railroad and the telegraph, and conservative, as Asiatics are, in his habits, receives cheerfully the same price per day for his labor, the same price per pound for his cotton, in silver, without regard to the depreciation in silver and Indian council bills in the London market. Hence the cotton buyer in England, paying for Indian cotton in silver, uses the depression of price thus secured, to depress the price of American cotton also. And when any one compares the present price of cotton with the prices of previous years, it will at once be realized how great an influence is thus exerted in lowering the price of the cotton crop of the South. In like manner, the wheat-fields of India affect the grain prices of the West.

Again, the Birmingham manufacturer of cotton goods finds the principal market for his sales in India and other silver-basis countries. But with exchange in England against those countries affected 20 per cent. by the departure of silver from its proper ratio with gold, their purchasing capacity is diminished 20 per cent.; and to meet this exigency, the manufacturer has to reduce correspondingly either his production or his prices. Hence he will either buy 20 per cent. less of cotton to be made into goods, or he will purchase the same quantity at prices lower by the same percentage; for in no other way can he secure his ordinary profit in his business.

Both of these evils will be cured when India and other silver-basis countries become bimetallists; for in commercial transactions between a gold-basis country on the one hand and a silver-basis country on the other, the difference of price of gold bullion and silver bullion affects the rate of exchange; but the case is different where one or both of the countries is on the double basis of gold and silver at a fixed ratio for coinage, for the coinage rate, as all experience shows, will control the bullion rate. For example, in France and the Latin Union, with both gold and silver coins at full legal-tender at the ratio of 15½ to 1, gold and silver moneys are circulating at par with each other; while in Austria, which has only the silver basis, gold is at a premium of about 20 per cent.

Another reason why it is better for commerce that gold and silver both should compose the currency and be recognized in international exchanges is, that there is less danger of disturbance of the purchasing power, from fluctuations in production or demand. That is, it is harder to affect seriously a volume of currency of $7,000,000,000 in value by additions to it from the mines, or subtractions from it for the arts, or by destruction by fire or shipwreck, than if the entire volume were worth only $4,000,000,000.

This proposition is so plain that I will not dwell upon it. Hence it is manifest that an international agreement, sustaining both gold and silver, will satisfy all the silver men except the extreme silver monometallist, will satisfy the debtor classes and nations, and will also satisfy the private creditor class, who depend upon the solvency of their debtors for the safety of their investments and other credits.

But I go further, and maintain that such an arrangement ought to be satisfactory to the public creditors, the holders of Government securities, for two reasons. The first is, that the holders of public securities are also largely the holders of claims against private individuals, or of stocks in corporations which owe large debts, and hence their interest is not all in one direction.

What they might gain in the payment of their principal and interest of Government bonds in a medium which in its entire volume is only $4,000,000,000 over a payment in a medium having a volume of $7,000,000,000 they would lose by the failure of their private debtors and the depreciation of their corporate stock investments. So that this class are really not to be benefited, unless it be such of them as have no other investment of their fortunes except Government bonds of prompt-paying governments, and even they may suffer by disturbance in the market value of their bonds in the general tumbling of prices.

But there is a second reason, why the public creditor in this country should favor an international agreement, if the ordinary ratio of the civilized world be adopted between silver and gold, the ratio of 1 to 15½, as proposed in 1881 by the American and French commissioners to the other delegates at the international conference. Under the express terms of the bonds of the United States, and by the express declaration of Congress, the interest on the bonds of the United States is payable in coin of the standard weight and fineness, which were lawful in July, 1870, at which time both gold and silver were unlimited legal tender—gold at the rate of 25.8 grains, nine-tenths fine, or 23¼ grains pure gold per dollar; and silver at the rate of 412½ grains, nine-tenths fine, or 371¼ grains pure silver per dollar. Hence the terms of the contract are satisfied by payment either in gold coin or in standard silver dollars of our present currency.

But if an international agreement be made, by which the ratio shall be adopted of 1 to 15½, instead of our American ratio of 1 to 16, then, in order to conform our silver coin to the new ratio, our dollar would have to be reduced to 400 grains, nine-tenths fine, or 360 grains, pure silver, to conform to the legal-tender silver of France and the Latin Union, and in fact to the silver currency of Great Britain, Germany, and all of the great nations. If this were done, it is easy to perceive that the United States could not pay her debt in the new silver coinage, for by the terms of her contract the coin must be of the weight and fineness of July, 1870. Hence the bondholders would be sure of payment of the interest and principal of their bonds in gold, while at present the Government would certainly exercise its option to pay in silver, if the stock of gold in the Treasury should be so diminished, as to be insufficient for current payments of interest on the debt. The bonds are payable, as expressed upon the face of them, both principal and interest, "in coin of the standard value of the United States on said July 14, 1870."

It is true that, at present, the interest of the bond debt of the United States is being paid in gold, and I am in favor of its being so paid; for there is no disparity between silver and gold coin, and so far as our bonds are held in England and Germany—which are gold-standard countries—it tends to strengthen our credit abroad, at no additional expense to the Government. In fact, so long as the volume of the circulation of the world is kept up at seven thousand millions, there is no difficulty in each nation maintaining the parity of silver and gold, provided both are given the functions of full legal-tender money. It is only a demonetization of either one of the metals, that can affect us in prices, and the result would be the same if we attempted to demonetize gold, and to rest upon silver. Monometallism, either of gold or of silver, would be equally disastrous to the commerce of the world; and the most perfect system, in my humble opinion, is bimetallism, with a ratio between the two money metals fixed by international treaty, and recognized by all the great commercial nations of the world.

Under the legislation already had, two international conferences have been held; and the conference of 1881 simply adjourned temporarily, and could be reassembled, in order to complete its work. It is probable that, if the conference were now invited to resume its labors, something definite could be agreed to, in settlement of the questions involved.

THE UNITED STATES.

But we must also make provision for ourselves alone, in case we can not induce the world to agree to an international recognition of bimet-

allism; for some, who are familiar with this subject, do not think that there is any hope of an international agreement, on account of the policy heretofore pursued by the creditor nations of Europe. For instance, the New York Financial Review for 1885 has the following:

The nations of Europe are making the attempt to contract the medium of the world's exchanges, by forcing commerce on, to a single gold basis, and thereby rob it of one-half the currency it formerly used and needed.

And while I think that the creditor nations are now beginning to see that they can not so contract the medium of payments, and thus increase the value of their claims against debtor nations, yet at the same time it behooves the United States, as a debtor nation, to do what it can to keep the circulation of the world from contraction by the demonetization of one of the money metals, and therefore we must see what we can do single-handed to sustain silver, as well as gold, within our own territory. For there is no doubt, that the doctrine of Alexander Hamilton's report on the Mint in 1791 is just as applicable now as then. As between gold and silver, Hamilton proposed that—

No preference should be given to either, because in attaching the unit to either, the office of the other as money would be destroyed; it would become mere merchandise, thereby diminishing the quantity of circulating medium, and impairing the utility of one of the metals.

And in order to make proper calculations, let us consider the condition of our currency at present.

In the first place, owing to the redemption of United States bonds, some of which secured the notes of national banks, the volume of national-bank circulation has been reduced $40,000,000 in four years, and of this reduction over twenty millions was in one year—from 1884 to 1885.

But this is not all. On November 1, 1882, the gold in the United States was, in Treasury and in banks, $260,455,297, and on November 1, 1885, it was $335,251,499, an increase of gold in the Treasury and in bank reserves of about $75,000,000.

In the hands of the people, there was in November, 1882, gold to the amount of $306,650,159; and in November, 1885, the amount of $251,476,288, a decrease in gold in active circulation of $55,000,000. In the same period the silver in the hands of the people increased from $80,912,634 on November 1, 1882, to $107,914,611 on November 1, 1885—an increase of twenty-seven millions. And the paper circulation fell from $548,828,288, in the hands of the people in 1882, to $470,401,878 in 1885. Thus we have from 1882 to 1885 the following contraction of our circulating medium:

Gold, decrease	$55,000,000
Paper, decrease	78,000,090
Total decrease	133,000,000
Deduct increase in silver	27,000,000
Balance	106,000,000

We therefore have a net decrease of our circulation, of over one hundred millions in three years. This has caused reduced prices, stagnation in business, strikes of the laboring classes, and general distress. And it is significant, that while our population is steadily increasing, and our circulation is steadily diminishing, about eighty-six millions of silver dollars remain as a surplus in the Treasury, and the country refuses to absorb that surplus, though needing money all the time. The reason of this strange state of affairs is, that there is really no appropriate place provided for silver dollars in our currency. Its proper sphere is usurped by the one-dollar and two-dollar greenbacks, which, as I have before stated, are redeemable only in amounts of fifty dollars and upward, and are practically paper representatives of gold, and not of silver.

There is also the one-dollar gold piece, but that has no circulation or coinage of consequence. So inconvenient is it in size, that the most extreme monometallist, if tendered his choice between a gold dollar and a silver dollar, would select the silver dollar as more convenient for currency; and the small quantity of gold one-dollar pieces now coined is used mainly for trinkets and purposes of ornamentation. The three-dollar and two-and-a-half-dollar gold pieces are not numerous, but there are enough of them in circulation to occupy quite an appreciable place in our currency. Where, then, is there a place for the standard silver dollar? We have shown that under five dollars the paper one-dollar and two-dollar greenbacks have a large circulation. It is now about $47,000,000, although largely diminished in the last two years. The Congress has authorized the issue of silver certificates, but only in denominations of $10 and upward, instead of issuing them in denominations of $1, $2, and $5, where they would be just as convenient, and equally as popular as greenbacks. If this were done, and the one-dollar and two-dollar greenbacks were called in, and the amount reissued in larger denominations, say of $5 and above, I am satisfied that all the surplus silver dollars in the Treasury would be represented in circulation by such silver certificates in less than twelve months.

Another anomalous condition of our currency, is in refusing redemption to greenbacks in amounts less than $50, and only redeeming them at New York. A single greenback should be as readily convertible into coin as a large number of them; and they should be redeemable at convenient points. Another use for silver dollars would be found by making greenbacks thus redeemable in sums under $50 in silver or silver certificates, at the option of the person offering the greenbacks for redemption; it would make no difference to the Government, since the silver certificate is simply the paper representative of actual dollars in the Treasury, held there for the owner of the certificate.

In this way there would be no surplus of silver dollars in the Treasury; and it is well to remember in this connection that it is mostly in the minor transactions of buying and selling that actual money is used, since larger purchases are usually paid for in checks or bills of exchange; so that in placing the silver certificates in the arena of small retail business, from which they have been studiously excluded, we will utilize our entire coinage of the white metal. This can be done by simply removing the present restriction, which limits the issue of silver certificates to denominations of $10 and upward.

LEGISLATION PROPOSED.

Mr. Speaker, let me state in conclusion, at the expense of repetition, what I conceive to be the proper legislation for this period. Instead of providing for the immediate resumption of free coinage, we should provide for resumption at a time when the civilized nations shall have agreed upon a ratio and upon a plan of free coinage. In the mean time, we ought to suspend the coinage of the silver dollar in the interest of the silver dollar itself; not because it is worth but 80 cents, for, as I have said, I do not subscribe to that doctrine; but because we have enough silver for the purposes of circulation at present.

I think our supply of silver stands in the same position as the stock of goods on the shelf of a merchant. When he has goods enough for the purposes of traffic, he does not decry and disparage the goods, because he does not sell them immediately, but he tries to get them out among his customers; and while he is trying to get them out, and has a full stock, he is not ordering any more. For the reason that we have enough silver for our purposes at home, and have no other field for it, I say, suspend the coinage at least for a time. I would suspend it for a definite time, say for the period of one or two years; and I would at the same time provide means for circulating the $86,000,000 we now have, unused in the Treasury. In order to do this let us remove from circulation every one and two dollar bill that is now circulating in this country. Without contracting the greenback currency, I would put it all in denominations of $5 or upward. I would issue silver certificates in denominations of one and two dollars, to take the place of these one and two dollar greenbacks. I would take away the $50 limit from the greenback, and make it convertible at all of the fiscal offices of the Government into silver certificates in any sum. I would go further and make these silver certificates, backed by the coin in the Treasury, dollar for dollar, legal tender in the same manner as the silver dollar is legal tender; in the same manner as the Bank of Hamburg in Germany in olden time passed its paper money; in the same manner as the Bank of England paper and the Bank of France paper circulate to-day. I would also make gold certificates legal tender.

Mr. Speaker, this is really not making anything but the coin legal tender. As two merchants, in order to transfer goods, transfer the warehouse receipts, showing that certain commodities have been deposited, so these notes would be the warehouse receipts of the legal-tender coin, which any one could go and claim from the Government on demand, the Government being its custodian.

And the people will save enough to build all of the vaults necessary to hold that money, in the saving of the abrasion of the currency in common use. It has been estimated that, in the course of a hundred years, silver coin in circulation loses 10 per cent. of its value by abrasion; and the Director of the Mint, I understand, has informed one of the committees of this House, that the money saved from the wear and tear of the silver in circulation will build, twice over, the vaults necessary for the Government to hold the coin, and put the silver certificates out in the hands of the people.

By the use of these means, there would be no difficulty in circulating the entire eighty-six millions in the Treasury, by the time the suspension would terminate.

During that period, the President could call upon the nations to confer again, and agree upon a ratio for bimetallism. And then, when that ratio is established by international consent, I would have free coinage of gold and silver according to that ratio. As we have seen, the time is approaching, when the nations of the world will be ready to entertain this proposition. And in our own country the convention of the American Bankers' Association, held at Chicago in September last, expressed a similar readiness in the resolution adopted by it, as follows:

Resolved, That it is the sense of this convention that the coinage of silver dollars under the compulsory law of 1878 is detrimental to the best interests of the people and dangerous to the welfare of the Government, and that the law should be immediately suspended, and remain inoperative until an international agreement with leading commercial nations shall give substantial assurance as to the future relations of gold and silver as money.

If, therefore, we can not agree as a legislative body, either to immediate free coinage of silver on the one hand, as urged by the supporters of this bill, or to absolute suspension of the compulsory coinage of two millions' worth of silver per month, as others contend, let us compromise by suspending until we can place in circulation the silver dollars already coined, and make another attempt at international agreement, results which, in my judgment, can be attained in two years by prompt and decisive action.

Could this be attained, a great advance would be made in the interest of our commerce at home, and our traffic with the other nations of the world; credit and confidence would be restored; and financial distress would give place to plenty and prosperity.

All essential legislation tending to such a consummation can be easily enacted, by amending the bill now under discussion, in the manner I have suggested, or in such other way, in a similar spirit, as the combined wisdom of this House may determine, if the representatives of diverse views would meet each other half way, in a spirit of mutual concession for the common good.

Rivers and Harbors.

REMARKS

OF

HON. WILLIAM L. WILSON,

OF WEST VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 6, 1886.

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes—

Mr. WILSON said:

Mr. CHAIRMAN: It is inevitable that a bill like this should be subject to criticism. It is perhaps hardly to be expected that any committee, no matter how careful and prudent, can prepare a general river and harbor bill for so large a country as the United States that will not contain some items that may be subject to just criticism. The area of our country is so immense, its seaboards are so extensive, and its interior water ways are so numerous as almost to defy exact knowledge on the part of any member of this House; but I believe that the annual river and harbor bill is one that ought generally to pass; that it contemplates improvements and expenditures that are in the main judicious and necessary, and that much of the criticism indulged in by the press of some sections of the country, and echoed in the debates on this floor, is unfounded and uninformed.

To provide as extensively as possible without wasteful expenditure abundant facilities for transportation, in the cheapest form in which transportation can exist, along our great water ways and even our smaller rivers, is to confer a boon on the great mass of the people of this country, who are engaged in producing its wealth and in the buying or selling of its products. Not only does the improvement and opening to commerce of water ways afford these facilities of transportation, but, by its competition with the railroad lines of the country, it regulates and lessens the charges for freight and traffic upon them.

It is a great mistake to suppose, as certain gentlemen have contended in the course of this debate, and notably the gentleman from Iowa [Mr. HEPBURN], that although the amounts appropriated in such a bill may be expended within the limits of individual States, such expenditures are entirely or chiefly for the benefit of the States within which they are made. I will take no other illustrations of the error of this argument than two appropriations in this bill for rivers in my own State. The $121,000 proposed to be expended in completing the slack-water navigation of the Monongahela River, although expended within the limits of West Virginia, furnishes the sole link now missing in a stretch of more than a hundred miles of navigation on that river, scarcely more than a dozen of which are in West Virginia.

While it provides an outlet for the productions of the particular regions in which the Government works are constructed, thus aiding immediately in their development, it also and especially furnishes a highway for the trade between the country bordering on the upper Monongahela and the lower sections of the river to and fro as far as the city of Pittsburgh, and thence down the Ohio River, thus bringing into existence and stimulating mutual exchange of productions and mutual traffic, the benefits of which extend to several States.

Even in a greater degree is this true of the amount expended for the Great Kanawha River. While the locks and dams which have been placed upon that stream have during their construction given temporary employment to labor in West Virginia and have developed a line of magnificent collieries along that river, these improvements have also provided an outlet for the products of those mines and permanently cheapened coal to the dwellers along the Ohio and the Mississippi, and the few hundreds of thousands of dollars expended in this work, which, according to the gentleman from Iowa, is local, have thus extended their benefits to many surrounding States.

What is true of the Monongahela and of the Kanawha is also true of other rivers and even of some of the so-called insignificant streams, appropriations for which have called forth ridicule and opposition in these debates and in the public press. Any system of expenditure by the Government which comes into conflict with the interests of great railroad corporations, and with their control and monopoly of the carrying trade of the country, by providing cheap and accessible competing lines, naturally provokes an opposition which has no difficulty in finding vigorous expression for itself in the press of great cities on the Eastern seaboard. This opposition, masking itself in virtuous protests against waste of the people's money and what it calls a scheme of log-rolling and an organized raid upon the Treasury, deceives many as to the real motive which prompts much of its outcry. The public is taught to believe that the appropriations contained in this bill and in similar bills are made upon the recommendation or by the scheming intrigue of members of this House; whereas it is a fact, that every intelligent man ought to know, that no dollar is recommended for expenditure in such a bill until competent officers of the Engineer Corps of the Army have made the necessary surveys and reported in favor of the expenditure, and until that report has been approved by the Chief of Engineers and transmitted to the House with the recommendation of the Secretary of War.

But, sir, I will not pursue this subject any further, and, indeed, I have made these remarks, not so much because there is any need to make them as because I desire to have read and printed in the RECORD, in connection with what I have said, a letter from a gentleman whom I am proud to call my friend and neighbor, a native and citizen of my own State and immediate neighborhood, whose ability to deal with these questions no one will dispute, and whose moderation of statement is only exceeded by the unsurpassed ability and unquestioned probity which he has long brought to the service of the Government. His letter was not one volunteered by himself, but was called forth by my personal request, as will appear from its tenor.

UNITED STATES ENGINEER OFFICE,
Baltimore, Md., April 17, 1886.

MY DEAR SIR: I have just read in the RECORD the speech of Mr. WILLIS with the appended report of the Committee on Rivers and Harbors which I have no doubt he wrote, and it certainly seems to me that his views are those of a man of ability and uprightness who has studied his subject, knows what he is talking and writing about, and does both well. If I had the pleasure of knowing Mr. WILLIS I would say so to him.

The truth is a river and harbor bill of that size is not unreasonably large for such a country as ours, considering its immense extent, its rapid development, and other circumstances. Though the sum, considered by itself without regard to its object, seems a large one, it is actually small in view of real needs, and appears almost insignificant in comparison with the expenditures of other nations, much of whose wealth and power come from the effects of just such works of internal and coast improvement as such expenditures have allowed.

The river and harbor bill is usually the subject of much criticism in the newspapers, but most of this originates with the great dailies of New York city. That great State, an empire in itself, has a comparatively small water front, and consequently very few of the so-called "mud puddles," &c., of which we hear so much, but of which there are really so few. Years ago she built the great Erie Canal, which, by the way, has not only paid for itself, but has poured millions more into the treasury of the State. This great artificial water way she has from East to West. Then the Hudson River, a continuation of the Erie Canal and running from north to south, feeds her great heart on the ocean. This river has been made by nature one of the grandest in the world for navigable uses, and can be kept so at comparatively small expense. With these and other great advantages she is in a position to be comparatively independent of the general Treasury, though she never shows unwillingness to take what she can get for Hell Gate, &c.

But the point I am coming to is this, that the smaller and weaker States are unable to spend money on internal improvements as New York has done and would do again if the United States ceased making such appropriations. Shall the United States give up appropriating for rivers and harbors and throw such work on the States? Take, for example, the case of the Great Kanawha in West Virginia, a short river of 100 miles in length, and entirely in one State—a weak one financially. The benefits of the improvements already effected there by the United States, even in their incomplete state, are felt all over the States through which the Ohio and Mississippi and their tributaries flow, by cheapening the price of fuel and regulating freight charges on railways, while at the same time the development of the coal interests in the Kanawha Valley has been great and locally very valuable. The improvement of this short river in one weak State is therefore an object of national importance and should not be left to West Virginia to pay for.

The opposition of the great railways to the river and harbor bills is also voiced in the newspapers which they control in New York city and elsewhere. They would blot out the Erie Canal and the Hudson River and many others if they could.

Even the old Chesapeake and Ohio Canal, if it were kept out of the hands of those who make it a part of the machinery of politics of the lowest kind and were managed on business principles, would be a valuable property and pay well commercially and financially. Experience with it demonstrates that.

If river and harbor bills be analyzed, it will be found that the percentage of improper (if I may use such a qualifying word) items is very small. No bill, on any subject, is going to be perfect while men are legislators and so many diverse interests must be considered, if any legislation whatever is to be had.

I feel sure there is no money appropriated that goes more directly and honestly and economically to the objects for which it was intended. Our friends the civil engineers are many of them anxious to take a hand in the management of these rivers and harbors. This has always been the case in times of stagnation of their usual business, as now. Some, very few I believe, have other and personal and corrupt motives in their wish to "turn out" the Corps of Engineers. For my part, I heartily desire to see the best talent in the country available in the service of the country. While saying this I would wish the following consideratiods to be not lost sight of:

No body of men in this country have so great an experience as the Corps of Engineers in the work of improving rivers and harbors, and among no people has so much been accomplished in that direction in the same time and at so small an expenditure of money. No body of men were ever connected with a greater variety of important public works in the past fifty years in any country, and none have acquitted themselves with greater ability, zeal, and faithfulness. Many millions of public money have passed through their hands, and the universal testimony is that it has been honestly and judiciously spent.

Every great nation of continental Europe has a corps of engineers supervising its great national works, and these men are obtained by selection from special schools and gain their experience by practice, exactly as is the case in this country.

If the great works of this country be taken from the control of the Corps of

Engineers, to whose shall they be given? The management of such works can not be properly arranged otherwise than according to some system; certainly not by a method of scramble among even competent engineers, nor by political or a worse influence.

The graduates of technological schools may be, and in some cases are, well prepared in theory, but education by experience is more important than theory and very few of such graduates now have experience with rivers, harbors, lighthouses, &c. Their attention has been mainly directed to building railroads, bridges, works for municipalities, manufacturing corporations, &c., and to architecture, the more lucrative branches of the profession, from which officers of the Engineer Corps are mostly excluded.

Shall we drop the improvement of rivers and harbors as a work of the United States? The railroads would probably like to see that policy adopted to a very great extent. Shall it be turned over to the States? This is the fundamental question.

If the United States continues to work on rivers and harbors, shall such work be restricted to the great ones? If not, where will you draw the line? And when you have drawn your line, excluding perhaps the larger number, where are you going to get your votes for the money? These are practical points which probably have not occurred to some.

Shall we go to such a system as prevails in the Treasury Department as to the construction of public buildings, such as custom-houses, post-offices, &c.? That is a purely civil system. Is it any better than the military so far as the latter has touched rivers, &c.? Certainly it is no more popular with the civil class of engineers directly concerned, but who do not run it. I mean the architects of ability who can make more money outside. They sneer at it.

The honest truth is that the greatest engineers and architects of this and other countries are not willing to be tied down to the routine which must prevail in the machinery of a great government, no matter whether it be republican or monarchial. They can make a great deal more money and reputation in working for corporations, municipalities, and individuals than they possibly can in the government service.

Then there are those of the second grade, who are very willing to be in the government service while otherwise disengaged, but want to get away when they can do better elsewhere and until they are again out of a job.

Then there is another class, who are not fit and never can be for principals. They must be assistants all the time, either for want of knowledge or ability or discretion. My plan, if the present one be dropped, would be to have an organized body to have charge of Government works. What titles they should have I care not.

In addition I would have a board composed of men of the highest ability in the country who would be willing to serve for such salaries as the United States would pay, to be selected by the President or the proper Cabinet officer; this board having the right to call in as consulting experts any distinguished specialists and pay them the usual rates; he board to formulate plans without going into minute details; when the plan in any case is made, the board to submit its report with estimate in full for the information of Congress.

If Congress approves, then the execution to be turned over to the organized body referred to above. Boards and commissions are poor executive machines.

You once asked me to give you some notes on rivers and harbors. Behold the result. I might write at much greater length, but spare you.

Respectfully and truly yours.

WM. P. CRAIGHILL.

Hon. W. L. WILSON,
House of Representatives, Washington, D. C.

Forked Deer River.

SPEECH

OF

HON. PRESLEY T. GLASS,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 22, 1886,

On the amendment to the river and harbor bill (H. R. 7480) proposed by himself, to appropriate $10,000 for improving the North Forked Deer from Dyersburg to the junction of the South Forked Deer.

Mr. GLASS said:

Mr. CHAIRMAN: The South Fork, though larger than the North Fork, and capable of being made navigable a greater distance, has not in fact furnished more than one-third of the business that has gone out to the Mississippi River. As many as three boats have at times been in the North Fork during one season, running to Memphis and Saint Louis. The North Fork traverses one of the best agricultural districts in West Tennessee, and much of the country is yet covered with forests of the finest timber, walnut, oak, ash, hickory, and cypress. The walnut is chiefly shipped in the log, and the others are converted into staves (which are generally exported to France) or sawed into lumber at Dyersburg.

These articles can not bear high rates for transportation without consuming the profits. And then, the railroad increases its tariff of freights so soon as navigation is suspended by low water. An appropriation that will be sufficient to clear the line of the river of logs, stumps, and other artificial obstructions will increase the navigable period of this river and enable the great bulk of these heavy articles to go out, to the great benefit of the country. One or more of the finest saw mills in the State have been in operation for many years in Dyersburg, the head of the proposed improvement, and also several large flouring mills turning out a high grade of patent flour, and much of this seeks a market through this river. The chambers of commerce of Memphis and Saint Louis each have asked for this appropriation and have urged upon Congress to make it. Their demand is a just one and should be granted.

Contested Election—Hurd vs. Romeis.

SPEECH

OF

HON. HENRY G. TURNER,

OF GEORGIA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, April 14, 1886.

The House having under consideration the contested-election case of Hurd vs. Romeis—

Mr. TURNER said:

Mr. SPEAKER: In his great speech on the motion made to expel John Wilkes from the House of Commons, Mr. Grenville said that he proposed "to execute an office higher than any that the king could bestow, the honorable and noble office of speaking the truth and of doing impartial justice." I trust, sir, that it will not be regarded as presumption in me if I too should endeavor to choose that better part today. But I can re-enforce my courage with a more appropriate example of independence, because it is both American and democratic.

During the last Congress there was pending in the House the contested-election case of Wallace against McKinley from the State of Ohio. The contestant in this case, then, in defiance of party clamor, exerted his best efforts and his great abilities to maintain on this floor a Republican colleague against a Democratic contestant from his own State. And on that occasion, as now, he had the aid and co-operation of the gentleman from Kentucky [Mr. ROBERTSON]. Those who vainly opposed the contestant in that case exhibited courage rather than judicial propriety. The chief adversary of that contestant was the great man who has just stamped his foot upon the same arena in his own behalf. *Ex pede Herculem!* I give the phrase back to the gentleman from Kentucky.

Mr. Speaker, we are engaged in the performance of the highest function devolving upon the House under the Constitution. It is our constitutional duty to act as judges in the determination of election cases. What would gentlemen here think who sit in this high court as judges if a man should appeal to them to decide this case according to private beliefs or arbitrary opinions? I propose, Mr. Speaker, so far as in me lies, to lay down the higher and better rule, that these cases shall be tried upon the facts alleged and proven according to law and the course of our proceedings.

You know, Mr. Speaker, that when this Congress first assembled it was my wish to avoid the responsibility imposed by the rules upon the members of the Committee on Elections. For some reason, I trust not dishonorable to me, certainly not to the Speaker, I was again assigned to that committee. I feel, sir, that if I should fail to do my duty in this case I should dishonor both myself and the House.

How does this case stand? The contestant himself, and those who support him in his contest, have put his case upon two precincts, Precinct B of ward 8, in the city of Teledo, and Kelly's Island. In considering these questions, I shall take it for granted that members have heard the statements of fact on both sides and have a fair conception of the testimony.

The gentleman from Kentucky [Mr. BRECKINRIDGE], who so recently addressed the House in behalf the contestant, "after a most careful examination" of the case, admitted that if each fact forming a ground of contest be taken up by itself and isolated, "it would not be sufficient to base a verdict upon." And he ascribed the difference of opinion which exists between the majority and the minority of the committee to the fact that the majority looked at the facts in detail, while the minority looked at them as a whole. And he proceeded to state his conclusion based upon a reading of "all the papers, taken as a whole and concatenated as a series." But the contestant, who followed the gentleman from Kentucky in this discussion, did not rely on some of the matters on which that gentleman seemed to depend. Mr. Hurd did not even allude to the fact that one of the judges of election at Precinct B of the eighth ward of Toledo did not reside within the precinct; and yet the gentleman from Kentucky laid large stress upon that circumstance. The statute of Ohio did not then require that the judges of election in the city of Toledo should reside in the precinct. We have no right to supplement that statute.

Another link in the chain on which the gentleman from Kentucky dwelt with so much emphasis was the fact that the two clerks of that precinct belonged to the same party. And yet the contestant himself in presenting his case seems to have forgotten this circumstance. The reason for the omission is obvious. The law of Ohio requires that the two clerks of election shall be of opposite politics. But the law also provides that in case of the failure of one of these clerks to act the bystanders have the right to fill the vacancy; and in that way both the clerks of the election may, under the law, have belonged to the same party. Two links are therefore stricken from the "concatenated series" on which my friend based his conclusions. Two parts of the whole on which he relied disappear on examination.

I have not the time to expose the effect of Mr. Hurd's imagination upon details; but I will pursue briefly the material facts on which he bases his impeachment of the return from Precinct B, eighth ward. After the polls had closed the judges spread the tickets upon the table and counted them, to ascertain if the number of ballots would correspond with the number of names on the poll-list. The gentleman says that was wrong. I think so, too. But I venture the statement that in half the precincts of Ohio during that same election there were other and similar departures from the strict observance of the letter of the statute. I affirm that similar departures, more or less important, occur quite frequently at half the election precincts in the United States. Who that has stood around the polls has not observed these little irregularities to which I advert? But who cares for them if at the same time every bystander can see that there, in the presence of the appointed agents of the law, under the public view, with both parties as witnesses, there is absolute and perfect security of the ballots? In that case, who cares about the mere "leather and prunella" of the law?

If you establish the rule for which the contestant contends uncertainty will infect all popular elections. What a facility it offers to rascality! If a mere irregularity without fraud can invalidate an election, how easy it will be to find the pretext. If honest inadvertence or an innocent and harmless mistake, or an accidental omission, not affecting the result, shall defeat or reverse an election, the resources of fraud will be infinitely multiplied. All the cases, whether decided by the courts or by parliamentary bodies, denounce such a doctrine.

Let it not be forgotten that there is no evidence of corruption at this precinct, and not even a suspicion of it can be entertained.

Shall we exclude the return from this precinct and thus substitute one will for that of the tenth Congressional district of Ohio? The only parallel for such a course can be found, not in the Congressional or judicial precedents which have been set by another party which shall be nameless [laughter], but in the contrivances and pretexts by which the returning boards of that party appropriated the Presidency ten years ago. Shall we denounce that infamy on the stump and embalm it in our practice?

It is said also that there is uncertainty in this return, and it is upon that ground that the honorable contestant largely stakes his case. I ask where is the uncertainty? When you undertake to impeach official evidence for uncertainty you ought to do it by evidence which in itself is not uncertain or obscure. No witness swears that the preliminary counts were absolutely accurate, yet all the contention on the other side assumes that that was the case. Ignorant and unlettered men, sitting down to a hasty scrambling count of votes, some to be counted for one party, some for another, and some for a third, with a long list of candidates for State and county offices, and occasional scratching, is it not conceivable, is it not the charitable and the reasonable supposition, that those judges of election, differing as they did with each other in each result, simply made a mistake in the count?

Mr. Speaker, the whole truth of this matter, in my judgment, is that these unlettered men became confused in the count. It is probable that their last count, taken under the official regulations, was correct. But if there is uncertainty here, the evidence affords a measure of this uncertainty. Suppose you take the entire claim of the contestant, ranging if you please from 7 votes too many to 5 votes too few, as compared with the poll-list. This uncertainty involves only 12 votes. Can this contestant do more than claim on this view of the evidence that these 12 votes be apportioned between the candidates according to their relative number of votes in that precinct? But go further and deduct all of them from the majority of the sitting member; the final result is not affected.

In order to make the ballots returned equal to the number of names on the poll-list, or nearly so, the judges added two votes to each of the two leading candidates. This was an illegal device, but it was innocent and did not alter the majority. Each of these judges was sworn as to these facts, and then each of them was asked, "Did you not sign a false return?" Well, these judges, under the categorical examination to which they were subjected, answered in the affimative, and here arises all this clamor about the falseness of this return. But the evidence of the witnesses discloses all the facts.

The contestant, however, after putting the judges on the stand to impeach the return, says that they are not competent to support it! The analogy of the law of judicial findings would seem to allow the judges to support their return, but not to impeach it. The judges were honest; the clerks were honest. The public, the great tribunal that is at last to determine this issue, stood by. There is not one particle of evidence to attaint the fairness of a single man concerned in that count.

The contestant alleges "general bribery" against this precinct, and founds the charge upon the testimony of one Simon Gerstmann. The character, conduct, and credibility of Gerstmann have already been sufficiently discussed. This man says he went to Toledo some weeks before the election in the employ of the Republican party, and by conversations with strangers whom he met in the Polish and German quarter found "all for Hurd;" that he gave this information to Elkins, chairman of the Republican committee, and advised him that the sentiment for Mr. Hurd could be changed by the use of money; that Elkins refused to send the money by Gerstmann, but said it would be sent through the regular channels; that a few weeks later the witness revisited the same quarter of Toledo and found all for Romeis, and Gerstmann added: "From the general conversations with Warnke and others living in that neighborhood, there was no doubt in my mind that money and other materials were furnished to defeat Mr. Hurd in that precinct." And, "Had it not been for the use of money and other considerations used in the political machinery Hurd would certainly have carried the precinct." This evidence, even if it came from a credible source, consists of hearsay and conclusions and inferences drawn by the witness from the hearsay and from his own view of political morality. Such is the proof of the charge of "general bribery!" Not a dollar was shown to have been sent to the district, and it did not appear that any man received or paid out a dollar of the money. Such is the foundation for much of the eloquence expended on this case!

But it is further urged upon the testimony of another witness that Henry Gates, the vice-president of a Republican club in the precinct, paid nineteen ticket peddlers on the night of the election at a saloon from $3 to $10 apiece for their services. But the witness further said that all he knew about this matter was derived from what Gates said after the election!

The contestant demands the rejection of the return from Kelly's Island on account of intimidation of his employés by a Republican, Norman Kelly. No evidence was taken to show whether these employés were Democrats or Republicans, free-traders or protectionists. It was not shown that any one of these employés failed to vote as he pleased. No effort was made to prove how any of these employés actually voted except one, and he swore that he voted the Democratic ticket.

But let us take out of the record a sample of the evidence on this branch of the case.

A witness named Bristol was examined by Mr. Hurd himself, and testified as follows:

Q. Were you familiar and did you meet frequently the men engaged in his employment?
A. I was familiar with them, and I met them frequently every day.
Q. You may state what, if anything, the men employed by Mr. Kelly said to you that Mr. Kelly had said or done to them to influence their vote at the Congressional election held in October last.
A. He had told them that they should not vote for Mr. Hurd, or ought not to vote for Mr Hurd. The men told me this. I did not hear Mr. Kelly say this.
Q. You may state what he said to the men.
A. The men told me that Mr. Kelly said to them that they ought not to vote for Mr. Hurd, because he was a free-trader, and that free trade would ruin his business.

Another witness (Alford) was sworn to prove what Kelly said several months after the election about what he had said to his men before the election!

But taking the hearsay as true, and taking what Kelly himself said as a witness for the sitting member, but stripping off the coloring which eloquence has added, Kelly's statements to his men constituted argugument rather than attempted intimidation.

This branch of the case deserves no further notice.

In the last Congress, Mr. Hurd against a Democratic contestant contended for the admissibility of hearsay evidence, limited to the declaration of voters as to how they voted, made after the election. On a review of all the American cases, the House refused to sanction that doctrine, and by an overwhelming vote awarded the seat to the contestant, Mr. Wallace. On this case Mr. Hurd insists upon unlimited hearsay supplemented by the principle of presumption. It is a short step from bad evidence to no evidence at all. I appeal to lawyers and to that noble system of judicial precedents known as the common law. I ask any gentleman present whether he would risk any right of a client on such testimony? What court would allow a witness to swear what a third person told him? It would amount to an abolition of the oath by which evidence is guarded and sanctioned, and a denial of the great privilege of cross-examination.

But the English election cases have been cited in suppport of hearsay and presumption. Let us examine the character of these precedents. Lest I might be suspected of exaggeration, I beg leave to read a brief statement from May's Constitutional History of England:

Scandalous as were the electoral abuses which law and custom formerly permitted, the conduct of the House of Commons in the trial of election petitions was more scandalous still. Boroughs were bought and sold; electors were notoriously bribed by wholesale and retail; returning officers were partial and corrupt. But, in defiance of all justice and decency, the majority of the House of Commons connived at these practices when committed by their own party; and only condemned them when their political opponents were put upon their trial. *Dat venian corvis, vexat censura columbas.*

The Commons having for the sake of their own independence insisted upon an exclusive jurisdiction in matter of elections were not ashamed to prostitute it to party. They were charged with a grave trust and abused it. They assumed a judicial office and dishonored it.

Mr. Speaker, the British cases belong to the necrology of the law; their proper place is the graveyard. They are the mummies of legal literature, preserved perhaps under Providence to repel us by a hideous aspect and a bad smell. [Laughter.]

But as a matter of justice to the British people it ought to be stated that an important element in their decision of bribery cases has been strangely overlooked.

The North Durham case, to which the contestant has referred, decided in the year 1874, turned largely upon charges of bribery and corruption. Now in 1841, the Parliament on the motion of Lord John

Russell passed an act which distinctly directs the admission of hearsay evidence in such cases. (See chapter 57 of 5 Vict.) That statute not having been adopted in this country, the decisions based upon it can not apply to the determination of this case. And the fact that Parliament deemed it necessary to pass an act admitting evidence of this character is proof positive that the practice was to the contrary prior to the passage of the act.

But on the curious doctrine of presumption we are referred to the case of Donnelly *vs.* Washburn. That case was reported to the House with a seeming commendation of that principle; but it was on examination by the House recommitted to the committee, and never had the sanction of the House. This authority evaporates on exposure to the air.

The contestant, pursuing this doctrine of presumption, has cited also the case of Platt *vs.* Goode. If I have not misread that case, the report stated that over six hundred men had been specially employed at the Norfolk navy-yard and made to vote against Mr. Goode. It was also stated that during the campaign the commandant of the navy-yard furnished to Mr. Platt's colored friends a steamboat, a brass cannon, and a brass band. This executive interference with a Congressional election was the ground of the decision in that case. It was a noble theme for the indignant eloquence of the gentleman from Virginia [Mr. TUCKER] during the debate.

The SPEAKER. The time of the gentleman has expired.

Mr. TURNER. I had five minutes in addition.

The SPEAKER. The Chair has allowed the gentleman those five minutes.

Mr. TURNER resumed his seat amid loud applause.

Mississippi River Improvement—Cotton, Sugar, and Wheat.

SPEECH

OF

HON. J. FLOYD KING,

OF LOUISIANA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 6, 1886,

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes—

Mr. KING said:

Mr. CHAIRMAN: British East India's competition in the wheat, cotton, and sugar markets of the world is enormously increased by the rapid improvements of its water ways and construction of its railroads under the patronage of the Government of Great Britain.

According to British Official Reports, the export of the East India cotton increased from 332,255,728 pounds in the year 1879 to 691,049,376 pounds in 1883, an increase of over 358,000,000 pounds, or more than 100 per cent. in four years, or an average of upward of 25 per cent. per year increase.

The export of British East India wheat, according to the same authority, increased from 95,000 bushels in 1874 to something over 43,000,000 bushels in 1885. The exports of 1884 and 1885 amounted to 84,600,000 bushels, resulting in a loss to our farmers of over $80,000,000, and of nearly 4,000,000 tons of freight to our water routes and railways.

In 1883 we exported 106,385,000 bushels of wheat at $1.12 per bushel. In 1885 our export of wheat was reduced by competition with British East India wheat to 84,500,000 bushels at 87 cents per bushel.

The shipment of wheat from San Francisco for the six months ending December 31, 1884, was 12,447,000 bushels; for the corresponding months of 1885 only 5,850,000 bushels.

Our shipments of wheat to Great Britain during the last five months of the year 1884 were, stated in round numbers, 11,900,000 bushels; for the corresponding months of 1885, 4,500,000; showing a decrease of 7,400,000. During the same months the shipment of East India wheat to Great Britain amounted to 6,833,000 in 1884, and to 8,867,000 in 1885; showing an increase of 2,034,000.

The exports of British East India sugar was increased from 41,000,000 pounds in 1879 to 200,000,000 in 1884, the last year named being an increase of 159,000,000 pounds over the export of 1879.

These enormous exports of cotton, wheat, and sugar from British East India are only limited by lack of transportation to the seaboard, an obstacle that is rapidly disappearing by the improvements in the river, canal, and rail transportation routes by the British Government.

The British East Indian "ryot," or farm laborer, the worst oppressed and most degraded of all human beings, lives on rice and millit seed, goes almost entirely without clothing all the year round, and works for about three "annas," or 8 or 9 cents per day.

It is estimated that there are 150,000 square miles of undeveloped East Indian sugar, wheat, cotton, and rice lands yet to be put under cultivation.

Upward of $400,000,000 have been expended in improving the water routes and building railroads from the cotton, wheat, rice, and sugar-producing regions of British East India to the seaboard since the year 1880. The earnings of the same in 1883 and 1884 amounted to $62,441,280.

There are remedies for all evils. The difficulties presented by British competition in the markets of the world will be removed when our producing interests are properly guarded by Congress. The chief cause of the stagnation of our cotton, wheat, rice, sugar, and other industries is the neglect of our water-transportation routes. There is another cause, beyond all question, that should be removed, and I shall call the attention of the House to it at the proper time; but the improvement of water-transportation routes to our seaboard demands immediate attention.

In previous remarks during the discussion of this bill on this floor I have quoted facts that are incontrovertible, and that show the benefits of water transportation, and at that time I quoted the following startling figures from the remarks of Hon. Mark H. Dunnell, delegate from the Saint Paul convention, which was held in September last, before the Committee on Rivers and Harbors. I wish to call the attention of our Western friends particularly to this; it but foreshadows the result were the improvements on the Mississippi River alone carried to a final and successful consummation:

During the season of navigation of the Mississipi River the rate from Saint Louis to Liverpool, by rail to New York and by river to New Orleans has been as follows for the past three years:

1883.	Via railroad to New York, per bushel	23 to 29
	Via river to New Orleans, per bushel	17 to 23
	Difference in favor of the river route	6
1884.	Via rail to New York, per bushel	15 to 29
	Via river to New Orleans, per bushel	11 to 20
	Difference in favor of the river route	4 to 9
1885.	Via rail to New York, per bushel	14 to 27
	Via river to New Orleans, per bushel	13 to 13
	Difference in favor of the river route	1 to 14

And this, it must be borne in mind, is done on a river which between the points mentioned, on account of numerous bars and bad channels, is not navigable for large boats during several months in the year.

In relation to the improvement effected by the jetties built by Eads at the mouth of the river, I quote from Mr. Converse, late president of the New Orleans Chamber of Commerce, who appeared before your River and Harbor Committee on the occasion above referred to. He states what might be called eight facts, each and all of which deserve the earnest consideration of this House. I quote him as follows:

Before the jetties, the depth of water through the passes did not exceed 18½ feet under the most favorable conditions. Now 30 feet may be found, and a narrowest bottom width of 20 feet.

Before the jetties, the foreign steamship arrivals in 1873 numbered 83, with an aggregate tonnage of 107,000 tons; in 1883 they numbered 402, with an aggregate tonnage of 653,000 tons.

Before the jetties, a vessel of 1,500 or 2,000 tons capacity was above the average in arrivals. Now vessels of 5,000 tons capacity are loaded at New Orleans.

Before the jetties, vessels were loaded to not over 14 feet of draught. Now vessels loaded to 26½ and 27 feet pass out to the sea.

Before the jetties, skillful pilotage and management were of no avail, for the channels were ever changing. Now, where a vessel is kept within the jetty channel, detentions are unknown.

Before the jetties, the towage on vessels was from $1.25 to $1.50 per ton. Now it can and has been had for 50 cents a ton, and a proportionate reduction in the rates of insurance on vessels and cargoes has also been made.

Before the jetties, the exports of grain were 5,750,000 bushels in a year. Now they are 14,250,000. The total exports were valued at $68,000,000. Now they amount to $94,000,000, an increase of 50 per cent.

Before the jetties, foreign freights were 18 to 24 cents per bushel. Now it is from 8 to 12 cents; and right here I will state that although there has been a reduction to some slight extent in the rates of river transportation, it is not nearly proportionate to the reduction in ocean freights, because, from the improved outlet to the sea, the largest of steamers can come and go at will, while upon the rivers the need of improved navigation prevents it.

This, Mr. Chairman, is the result of removing one bar and thereby opening the mouth of the Mississippi. What must be the result if we remove all the bars between Saint Louis and New Orleans and open the river to continuous and safe navigation the year round?

In this connection I will read the following telegram to the New York Times, dated Berlin, 11th ultimo:

The German River Shipping Association reports that within the last ten years the shipping of goods has doubled on the Rhine, tripled on the Elbe, near Hamburg, and quadrupled on the Oder, near Stettin.

These rivers have been improved under the supervision of the ablest engineers, civil and military, of Europe, and on a scale unknown on this side of the Atlantic.

With reference to the possible value of such work, I beg to quote to the committee an extract from the report of Hon. John Bigelow, delegated by the Chamber of Commerce of New York on the Panama Canal:

All of the estimates of the traffic that have been hazarded, even those made by experts, whether selected by our own and European Governments or by the canal company, must at best be largely conjectural.

I do not propose to add to their number, though I will venture to signalize the curious and remarkable fact, that the product of any new facility of trans-

portation, whether of passengers, merchandise, or intelligence, by rail, by steamships, by telegraph, or by telephone, has increased in a ratio far transcending the expectation of its most sanguine projectors.

The Suez Canal yielded a revenue from its transit tolls of less than $900,000 the first year of its operation. In ten years it yielded eight times that sum, and is now yielding an annual income of more than $12,000,000.

Now, Mr. Chairman, I have endeavored to show the possibilities of the Mississippi River as one of the streams the improvement of which is proposed in this bill. It has been shown before the Committee on Rivers and Harbors—and I hold in my hand the evidence—that the effect on freight by this river on the products of the West in grain alone results in a saving to the producers of more than twenty-one million dollars annually. The report, by the gentleman from Illinois [Mr. THOMAS], of the select committee appointed by the Forty-seventh Congress to investigate the improvements of the Mississippi River, shows that these improvements as proposed by the commission will cost not exceeding $50,000,000.

The plans proposed by the commission are indorsed almost unanimously by all the distinguished engineers who have had them under consideration; wherever they have been allowed anything like a fair trial they have proven successful. This is admitted by all who have examined the matter sufficiently to reach a correct conclusion. I think in the above I have given to every candid mind a satisfactory answer to the questions propounded by the gentleman from Maine [Mr. REED] in his speech on this subject made some days ago, and which, as I remember them, are about as follows: What is the value of this work? How much will it cost, and what are the merits of the plans proposed for its successful development? In what I have stated there is sufficient to satisfy any reasonable mind on these points. If he or this committee wish more I can and will most cordially supply it.

In conclusion, Mr. Chairman, I will say that the great question to the whole West is the improvement of the Mississippi River. If we are legislating to promote hostile interests it will be well to defeat the bill now before us.

If, on the other hand, we have the interests of our country at heart, we shall pass it without material amendment.

Physical Effects of Alcohol and Narcotics.

SPEECH

OF

HON. SETH L. MILLIKEN,

OF MAINE,

IN THE HOUSE OF REPRESENTATIVES,

Monday, May 17, 1886,

On the bill (S. 1405) to provide for the study of the nature of alcoholic drinks and narcotics and of their effects upon the human system, in connection with the several divisions of the subject of physiology and hygiene, by the pupils in the public schools of the Territories and of the District of Columbia, and in the Military and Naval Academies, and Indian and colored schools in the Territories of the United States.

Mr. MILLIKEN said:

Mr. SPEAKER: I desire to say that this bill meets with my cordial and unqualified approval.

There may be, indeed there are, we know, differences of opinion upon many of the methods of dealing with intemperance, and good men and women in all parts of the world have earnestly and anxiously considered and reflected upon it, and suggested their different ways of arresting or at least decreasing it. Many laws have been enacted and enforced with more or less success, and certainly public sentiment upon the subject has improved wonderfully within my memory.

In my own State the sale of intoxicants has been driven out of all the country towns by the prohibitory law, and by the same measure it has been very sensibly decreased in the cities. Temperance organizations have also done a great work. Drunkenness, which was a common thing in my boyhood in Maine, is now the rare exception. Where I could once stand in the country and see a dozen teams pass with a jug of rum on each cart and many of the drivers pretty full of what had been the contents, now you may watch for a year and see not one drunken man nor one jug of intoxicating liquor.

But whatever differences of opinion may exist as to particular measures, I can not see how any intelligent lover of his race can object to the passage of this bill. It seeks to teach the deleterious effects of intoxicating liquors in the schools which are within the jurisdiction of the General Government.

When it is remembered that but a few years since, before the good work of the Law and Order League, fifteen thousand children were reported to be frequenters of liquor saloons in Boston alone, there can be no doubt that this bill begins in the right place. If the children are started along in life in the right way by proper and intelligent teaching, the men will take care of themselves.

I sincerely hope the bill will pass.

Physical Effects of Alcohol and Narcotics.

SPEECH

OF

HON. JAMES O'DONNELL,

OF MICHIGAN,

IN THE HOUSE OF REPRESENTATIVES,

Monday, May 17, 1886,

On the bill (S. 1405) to provide for the study of the nature of alcoholic drinks and narcotics and of their effects upon the human system, in connection with the several divisions of the subject of physiology and hygiene, by the pupils in the public schools of the Territories and of the District of Columbia, and in the Military and Naval Academies and Indian and colored schools in the Territories of the United States.

Mr. O'DONNELL said:

Mr. SPEAKER: Since the beginning of the present session of the Forty-ninth Congress there have been presented to this House petitions signed by at least eighty-seven thousand persons "asking the enactment of a law requiring scientific temperance instruction in the public schools of the District of Columbia, in the Territories, and in the Military and Naval Academies, the Indian and colored schools supported wholly or in part by money from the national Treasury." The design is to have taught in the schools mentioned among other studies the effect of narcotics and alcohol on the human system. Of the petitioners, I find they are among the leading citizens of the localities where they reside. In the names appended to the requests I notice there are 5,747 clergymen of all denominations, 3,264 physicians, 3,574 attorneys at law, 9,553 teachers in colleges and schools, 34,674 business men, 10,616 officers of temperance societies; 5,790 were by votes of audiences at religious and other gatherings, while thousands in the District of Columbia and the Territories unite with the people of the States in the prayer for the passage of such a righteous measure. Seventy-seven thousand of the names above enumerated have come to this House through the organization of the women of the country known as the department of scientific temperance instruction of the Women's National Christian Temperance Union—a band of the noble women of our land who are striving to elevate humanity and promote temperance.

Added to the number, I reckon that ten thousand of our people have forwarded petitions directly to the members here, who have promptly presented the same. The Senate has received nearly as many as the above aggregate, and it is a safe computation to say that there have been sent from the people for both branches of Congress during the past five months petitions in favor of the bill just taken up bearing the names of more than 154,000 of our population. These petitions have come from every State in the Union, and it is hoped the prayer of the people of all sections of the nation will be heeded. I have here one of the petitions and repeat a few of the signatures. It comes from Boston, and is signed by such eminent men as President Elliott of Harvard College, Oliver Wendell Holmes, John Boyle O'Reilly, Phillips Brooks, Edward Everett Hale, and others prominent in all the walks of life. Added to this array of names, the American Medical Association, the oldest, largest, and most conservative body of physicians in America, embracing those most eminent in the profession, at its last meeting passed with great unanimity a resolution requesting and urging Congress to enact this bill into a law. We have all these petitions to consider in favor of the measure, and not one name is sent here averse to the act—not a solitary one! Shall we give ear to the voice of the people?

The Senate of the United States gave the bill its sanction by a unanimous vote, and I trust the representatives of the people will speedily concur. In the several States nearly two million men and women petitioned their Legislatures to give them laws like the one now before the House, and in response seventeen States and one Territory have written on their statute-books beneficent enactments similar to the measure now under discussion. Embraced in the States mentioned is nearly one-half of our population. The effect of the laws is most satisfactory in all of the Commonwealths enumerated.

A majority of the Committee on Education have reported in favor of this bill. In deference to the wishes of the people, and believing such knowledge as is by this bill provided to be taught to the youth of the land leads to good citizenship and educates the coming generations in the way of sobriety and industry, the appeal is made for the approval of the House. Edmund Burke declared "Education is the chief defense of nations," and education like this will defend our people from an invasion of woe, poverty, crime, and distress. This bill is free from partisanship. Its design is simply to check an evil by imparting a knowledge of the danger which menaces the young and their usefulness as citizens. This, I think, the great English poet wrote of, three centuries ago, when he said:

Ignorance is the curse of God, knowledge the wing wherewith we fly to Heaven.

Every member of this House has reason to know the wish of his con-

stituency on this question and is prepared to vote thereon. The people have made known their wishes by the great right of petition. Medical men who know the evil effects of intemperance; the clergy who teach morals; educational bodies, and instructors in schools, all have asked the Congress of the nation to enact this bill into law. For these reasons, and many others, I ask that the bill do pass. Let us afford the child in all schools in sections under Government control the opportunity to learn of the danger, that he may thereby by choice shun it—set his feet on the right path, and then trust to the early teachings and innate desire to do right to guide him through life.

The people of the United States are becoming alarmed at the increase of intemperance and seek the means to check the evil. This is in the nature of a preventive. Many citizens are looking for methods to suppress the danger. If you educate the young to the effects of intoxicants, they will influence those older in the way that leads to sober lives. With this you have prosperity and sobriety, two adjuncts that create a citizenship that honors the Republic.

I append as part of my remarks a portion of the report of the Committee on Education, which I had the honor to submit to this House on the 29th of April:

Mr. O'DONNELL, from the Committee on Education, submitted the following report, to accompany bill S. 1405:

The Committee on Education, to whom were referred the bill (H. R. 3496) to provide for the study of physiology and hygiene with reference to the effect of the use of intoxicating, narcotic, and poisonous substances upon life, health, and welfare, by the pupils in the public schools in the Territories and in the District of Columbia, in the Military and Naval Academies, and Indian and colored schools supported in whole or in part from the Federal Treasury, and also the bill passed by the Senate (S. 1405) bearing nearly the same title, submit the following report:

The committee have had the two bills under consideration, and a majority of said committee have ordered that the Senate bill (S. 1405) be reported to this body with the recommendation that the House concur in its passage, and that H. R. 3496 be indefinitely postponed.

Practically the same statute hereby recommended was in active operation in the States of New York, Pennsylvania, Massachusetts, Michigan, Wisconsin, Kansas, Nebraska, Nevada, Oregon, Maine, Rhode Island, New Hampshire, Vermont, and Alabama. While these bills have been under consideration by this committee three other States and one Territory have passed corresponding laws, namely, Iowa, Connecticut, Maryland, and Washington Territory, making seventeen States and one Territory whose statute-books contain provisions for instruction in the schools thereof as to the effect of alcohol and narcotics on the human system.

In those States where the laws pertaining to this object are in force their effect is most salutary. The purpose of the bill is to afford scientific knowledge of the effects of intoxicants and narcotics upon the human system, thereby encouraging sobriety among those who will in a few years be the citizens of the country. Such laws lead to progress, and serve to check a threatening evil to humanity and the general welfare. In the interest of industry, prosperity, and good citizenship is the measure commended. It invades no right of self-government, and applies to those schools sustained by the nation and in sections under the control of Congress.

The measure has the further merit of involving no political significance, but appeals to the very foundations on which all admit that popular government rests—the intelligence of the people. It is difficult to see how any objection can be raised to such a statute, except by those who fear to have the next generation educated in its public schools as to a subject universally recognized to be of the most vital importance to individual health and social security.

Temperance Education.

"It is a remedy peaceable, philosophical, radical, far-reaching. It trenches on no man's rights, proscribes no man's business, confiscates no man's property, dictates no man's habits, restricts no man's liberty. It appeals only to the power of truth."

SPEECH

OF

HON. BYRON M. CUTCHEON,

OF MICHIGAN,

IN THE HOUSE OF REPRESENTATIVES,

Monday, May 17, 1886,

On the bill (S. 1405) to provide for the study of the nature of alcoholic drinks and narcotics and of their effects upon the human system in connection with the several divisions of the subject of physiology and hygiene, by the pupils in the public schools of the Territories and of the District of Columbia, and in the Military and Naval Academies, and Indian and colored schools in the Territories of the United States—

Mr. CUTCHEON said:

Mr. SPEAKER: In the early days of the present session I had the honor to introduce in this House bill No. 3496, being substantially the same as the Senate bill now under consideration.

It is now three years since the State of Michigan, which I have the honor to represent in part upon this floor, by an almost unanimous vote of its Legislature, placed a similar act upon its statute-book.

At that time Vermont alone had taken a similar step. To-day seventeen States and one Territory have such laws, and still others have them under consideration. Since I introduced the bill into this House the States of Maryland, Alabama, and Iowa have joined the column, which I trust is soon to include every State and Territory of this Union. This bill provides—

That the nature of alcoholic drinks and narcotics, and special instruction as to their effects upon the human system, in connection with the several divisions of the subject of physiology and hygiene, shall be included in the branches of study taught in the common or public schools, and in the Military and Naval Schools, and shall be studied and taught as thoroughly and in the same manner as other like required branches are in said schools, by the use of text-books in the hands of pupils where other branches are thus studied in said schools, and by all pupils in all said schools throughout the Territories, in the Military and Naval Academies of the United States, and in the District of Columbia, and in all Indian and colored schools in the Territories of the United States.

SEC. 2. That it shall be the duty of the proper officers in control of any school described in the foregoing section to enforce the provisions of this act; and any such officer, school director, committee, superintendent, or teacher who shall refuse or neglect to comply with the requirements of this act, or shall neglect or fail to make proper provisions for the instruction required and in the manner specified by the first section of this act, for all pupils in each and every school under his jurisdiction, shall be removed from office, and the vacancy filled as in other cases.

SEC. 3. That no certificate shall be granted to any person to teach in the public schools of the District of Columbia or Territories, after the 1st day of January, A. D. 1888, who has not passed a satisfactory examination in physiology and hygiene, with special reference to the nature and the effects of alcoholic drinks and other narcotics upon the human system.

More than half of all the people of the United States now live under laws of a similar nature.

They embody the great new movement in the temperance reform carried forward under the auspices of the Christian women of the land.

This movement is thoroughly philosophical in its fundamental idea, which is that in a "government of the people" the individual should be self-controlled, or at least capable of self-control. Education makes and marks the difference between the savage and the civilian. Knowledge is the foundation of self-control.

The old maxim says that "right wrongs no man." So I say that light wrongs no man. Truth wrongs no man. It controls no man, but it helps each man to control himself. There is and there can be no question of the terrible evil of intemperance. All thinking men are agreed that it is the greatest social evil of the age. It is an evil that most vitally concerns the State in many ways.

1. It degrades the individual citizen and unfits him for the duties and responsibilities of citizenship.
2. It is the most prolific cause of lawlessness, pauperism, and crime.
3. It is the great destroyer of national wealth.
4. It is the most common and the most dangerous agent for the corruption of the elective franchise.

There is no side of free government that it does not assail. It poisons the fountains of political power; it multiplies the burdens of taxation; it diminishes the wage-fund of labor below the line of decent living; it dwarfs the power of production to an alarming extent; it corrupts the franchise, and it threatens the future of the Republic by perverting and depraving the rising generation.

But a few days ago General Master Workman Powderley, the head of the Knights of Labor in this country, called upon the members of that order to join him in a crusade against this great evil. If the money that is now spent by the workingmen of America for drink were turned into homes and home comforts, into books and newspapers, a new day would dawn upon them; competence would take the place of poverty; comfort would supplant want; happy homes would crowd out the grog-shop, which is now the breeding-place of socialism and anarchy, of riot and ravage.

I join most emphatically in what Master Workman Powderley says in his circular:

The firmest link in the chain of oppression is the one I forge when I drown manhood and reason in drink. No man can rob me of the brain my God has given me unless I am a party to the theft. If I drink to drown grief, I bring grief to wife, child, and sorrowing friends. I add not one iota of the sum of human happiness when I invite oblivion over the rim of a glass. If one moment's forgetfulness or inattention to duty while drunk brings defeat to the least of labor's plans, a lifetime of attention to duty alone can repair the loss. I promise never again to put myself in such a position. If every member of the Knights of Labor would only pass a resolution to boycott strong drink so far as he is concerned for five years, and would pledge his word to study the labor question from its different standpoints, we would then have an invincible host arrayed on the side of justice.

If only the Knights of Labor will heed and obey the appeal of their chief they will do more to elevate the condition of the workingman than all the strikes and boycotts that have been or can be inaugurated.

As I have said, the evils of intemperance are great, manifold, and alarming. What does science declare in regard to them? I do not now refer to the declarations of professional temperance advocates, or to the opinions of those who may be suspected of overzeal.

The American Medical Association, which embodies the sum of the scientific medical knowledge of America, at their national meeting in June, 1882, deliberately declared as follows:

Resolved (1), That in view of the alarming prevalence and ill effects of intemperance, with which none are so familiar as members of the medical profession, and which have called forth from eminent English physicians the voice of warning to the people of Great Britain concerning the use of alcoholic beverages, we, the members of the medical profession of the United States, unite in the declaration that we believe alcohol should be classed with other powerful drugs, and that when prescribed medicinally it should be done with conscientious caution and a sense of great responsibility.

Resolved (2), That we are of the opinion that the use of alcoholic liquors as a beverage is productive of a large amount of physical and mental disease, that

it entails diseased appetites and an enfeebled constitution upon the offspring, that it is the cause of a large percentage of the crime and pauperism in our cities and country.

Resolved (3), That we should welcome any change in public sentiment that would confine the uses of liquors to the uses of science, art, and medicine.

This is the voice of no temperance fanatic; it is the deliberate judgment of the conservative and scientific medical profession of America.

A. B. Palmer, LL. D., for more than thirty years a distinguished member of the Medical Faculty of Michigan University, and an author of great eminence, in a learned paper recently read before the Michigan State Medical Society, said of alcohol and its effects, speaking for the medical profession:

We said the alcohol taken was oxidized in the lungs, and that increased heat and other forms of force were thus produced. We find it is not thus oxidized, or if at all, in so small a quantity that its effect is ordinarily much more than counterbalanced by the diminution of the oxidation of other hydro-carbons which it produces; so that under its influence heat and the other forms of force are lessened.

We thought it increased muscular strength, and it was taken to aid men in their work. We find that it diminishes muscular power, both for immediate action and with reference to endurance.

We thought as it often makes one feel stronger, that this was evidence that one is stronger. We now know that this feeling is deceptive, and is not even presumptive evidence of increased strength. We see that the drunken man while boasting of his strength falls to the ground.

We said it was a direct heart exciter. We now know it is a direct heart depressor.

We said, and nearly all the text-books still say, it is a direct cardiac stimulant. We know from most conclusive experiments it is a direct cardiac paralyzant.

We thought, and we may sometimes still think, it makes us witty. We know from observation it makes men silly.

We thought it brightened the intellect and might make men wiser. We find that in the long run, at least, it dulls the intellect and makes men foolish.

Wine has been called the "milk of age," and we thought it supported advanced life. We know that the aged live longer and retain their powers better without its use.

As a medicine, or prophylactic measure, we thought it protected against epidemic diseases. We now know it invites attacks.

We thought it prevented and even cured consumption. We know it is the most frequent cause of at least one form of that disease—fibroid phthisis.

We thought, moderately used, it was good for many things. Those who have given most careful artention to the subject believe it is good for very few things.

Dr. Parker, one of the most eminent men who have written on this subject, has said:

When alcohol does not produce insanity, or idiocy, or epilepsy, it weakens the conscience, it impairs the will, it makes the individual the creature of impulse and not of reason.

Here you get material for mobs and riots, for almshouses and prisons. Weak consciences and impaired wills are hardly the characteristics of good citizens. But this is not all.

Dr. Parker further says:

"The hereditary influence of alcohol is not confined to the propagation of drunkards only; it produces insanity, idiocy, epilepsy, and other affections of the brain and nervous system, not only on the transgressor himself, but on his children and his children's children."

Such is the disease. What shall be the remedy? The great central root of intemperance is ignorance. The remedy must be more light.

Dr. Palmer, as quoted above, has enumerated some of the popular delusions in regard to alcohol, whether taken in moderation or immoderately.

While many of the forms of alcoholic drinks are believed by multitudes to be harmless beverages, science declares alcohol in all its forms to be a powerful and dangerous drug, all the more dangerous because of its delusive and insidious character.

This bill is the echo of God's primordial decree, "Let there be light!" It is the pleading of the millions of the children of our land, beseeching that they may not be sent naked, without shield or armor, into the battle of life to contend against odds not only with the open and disclosed enemy but also with those that lie in ambush and assail them in disguise. It is the appeal of hundreds of thousands of the noblest and purest women of the land in behalf of their homes, their offspring, their altars, and their firesides. It is the plea of the home, the church, and the school combined that if our tender ones and our helpless ones must run the gauntlet of the army of alcohol they may at least be forewarned and upon guard against the lurking danger.

In form this bill affects and applies only to the District of Columbia and the places under the exclusive jurisdiction of the United States; but in principle and in moral effect it is as broad as the nation.

Its passage will send a thrill of joy and a tide of blessing from ocean to ocean, from the great lakes to the Gulf, and from the Everglades of Florida to the waters of Puget Sound. It is a remedy peaceable, philosophical, radical, far-reaching. It trenches on no man's rights, proscribes no man's business, confiscates no man's property, dictates no man's habits, restricts no man's liberty. It appeals only to the power of truth upon man's free choice. It will be as silent and as beneficent in its operation as the dew and the sunshine of spring. It will come with bane for none, with blessing for all. We who to-day record our votes for this bill may not live to see its matured fruits. The world will move on much the same as before, but it will move upon a constantly ascending plane until it shall come at length, perhaps long after we are gone, into a clearer light, into a brighter hope, into a nobler, cleaner, and more beneficent mode of living.

We have it in our power here and now to confer untold blessings upon the future of our country, for which millions now unborn shall rise up and call us blessed. Can we neglect so grand an opportunity, so imperative a duty?

Oleomargarine.

SPEECH

OF

HON. WILLIAM C. OATES,

OF ALABAMA,

IN THE SENATE OF THE UNITED STATES,

Wednesday, May 26, 1886,

On the bill (H. R. 8328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine—

Mr. OATES said:

Mr. SPEAKER: I think that this is one of the most objectionable bills I have ever seen under consideration in this House. It is defined in its title as "A bill defining butter; also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine." It imposes a tax of $600 on manufacturers, on wholesale dealers $480, and on retail dealers $48. In addition, the eighth section imposes a tax of 10 cents per pound on oleomargarine, to be paid by the manufacturer. It also contains many harsh provisions, including fine, imprisonment, forfeiture, and confiscation for its enforcement. Section 8 of Article I of the Constitution gives Congress the power "to lay and collect taxes, duties, imposts, and excises."

The bill under consideration is therefore within the letter of the Constitution; but when we see that the Constitution also declares the purposes for which taxes may be collected, to wit, "to pay the debts and provide for the common defense and general welfare of the United States," coupled with the notorious fact that there is no need for an increase of revenue—that there is a surplus in the Treasury—it proves that this bill is not within the spirit of the Constitution, but violative of it. It is full of hypocrisy and false pretense in purporting on its face to be a bill to raise revenue, when in fact its purpose is not to raise revenue but to break down and destroy one branch of industry to foster and build up another. A man has the same right to make butter out of tallow as another has to make butter from milk. The consumer takes his choice. State laws can deal with deceit in the sale of either.

What right has Congress to prohibit the raising of sorghum or the making of glucose, beet, and maple sugar? Such a law would greatly benefit those who are engaged in making sugar from the sugar-cane, because it would increase the price. Such partiality in legislation, being unjust, breeds discontent among the people. Congress should never take sides nor discriminate against any American industry in favor of its domestic rival. Discriminations by Congress in favor of the industries of our own people against foreign competitors are familiar to every reader of our statutes, but discrimination as between rival industries of our own people is a new and vicious departure.

Will any one contend for a moment that Congress has the power to prohibit by law citizens of Virginia from raising tobacco, or the people of Illinois from producing wheat or corn, or those of South Carolina from raising rice, or Alabamians from growing cotton? No man of ordinary intelligence will claim that such a power is vested in Congress.

This bill is an attempt to do by indirection that which can not be done directly and fairly. It is said that the proposed law is a necessary measure of protection to the farmers of the country. Who does not know that scarcely one-tenth of the farmers of the United States make butter for sale in any considerable quantity?

The dairymen are the people who are clamoring for the enactment of such a law. If it were what on its face it purports to be—a bill to raise revenue—why not extend it to butter made from milk or cream as well as oleomargarine? The former is more in demand than the latter and would yield a much greater revenue, and then your taxation would fall mainly on the rich or those people who are able to indulge in the luxury of genuine high-priced butter. But, sir, this bill reverses that rule and imposes all the taxation on the manufactured and cheaper substitute which can be bought at a price the poor laboring people can pay and obtain it.

Is it not to the interest of the toiling millions of poor men that food products should be as abundant and cheap as possible? If this bill becomes a law it drives out of the country all manufactured substitutes for butter and greatly enhances the price of that commodity. This is just what the dairymen want. It would put more money in their pockets by making the consumer pay an increased price for his butter. They wish to tax out of existence oleomargarine, which is getting to be a lively competitor with Jersey butter for popular favor.

This is the most extreme and unjust protective measure I have ever seen, and yet gentlemen whom I have heard on this floor denounce a protective tariff as legalized robbery are to-day advocating this protection *per se* measure with great persistency. I suppose that they are protectionists or free-traders according to whose ox is gored. It is not only a highly protective measure against home competition—a rival domestic industry—which would make all the dairymen as rich as the highest tariff duties on manufactures have made those engaged therein but this bill is sumptuary and undemocratic in principle.

If, sir, as a free American citizen I choose to buy and eat a butter manufactured principally of tallow or lard rather than butter made from the milk of cows in the usual way, that is my right and my business, and the Committee on Agriculture have no right to object.

Nor is it any concern of theirs whether my butter is clean or nasty; that is my business and not theirs. But by this bill they and the dairymen deny to me my right to eat oleomargarine upon my bread if I prefer it, and assume to sit in judgment on my appetite and require me to eat my bread dry or spread Jersey butter on it at 50 cents to $1 per pound.

That, sir, does not comport with my democracy. I object to these oleomargarine and butterine statesmen sitting in judgment upon the tastes, appetites, and libertics of the people.

We have arraigned the Republican party before the country for class legislation and legalizing monopolies, yet here is a Democratic committee recommending to a Democratic House a bill exclusively for the benefit of the dairymen as a class. It, sir, is violative of every sound principle of American government.

In this House we have a report from one Democratic committee recommending a reduction of taxation to the extent of $25,000,000 annually on the ground that a greater amount of revenue is collected than the Government needs. Here is the report of another Democratic committee of the same House devising ways and means of raising more revenue. How incongruous and inconsistent? The explanation is that the butterine bill to raise revenue is a fraud—it keeps within the letter of the Constitution but violates its spirit. It would, therefore, be a most dangerous precedent, and if adopted will at no distant day return to plague its inventors.

Mr. Chairman, I am sorry that our system of internal taxes, which was from necessity established during the war, can not at present be dispensed with. It never was a popular method of raising revenue. Instead of progressing towards its extinction the bill before the House is a proposition to enlarge and extend a system which Jefferson denominated an infernal one.

The following article from the Ohio Farmer puts the case so clearly that I will publish it as a part of my remarks:

One man in this country has the same right to make butter out of tallow or lard that another has to make it out of cream. He can not be deprived of that right without destroying the principle of equality on which our Government rests. If one man may choose his own vocation and forbid others from choosing theirs, where does he get the power so to do? The secret is worth knowing. The making of butter out of tallow or lard is as honorable as to make it of cream. In each case the material comes from a domestic animal that is eaten by civilized man, and is worked by men who must work to live. The dairyman assumes that his process is the only lawful one, and that all others should be legislated out of existence. He has tried to do this through State laws, but courts have held those laws void. He will meet the same fate at Washington unless he does a little cool, unselfish thinking. He must learn that farming is merely one form of production, that all producers are laborers, and that all laborers are equal before the law. Applied to his case this means that if the Revenue Department takes control of the tallow-butter business it should take control also of the cream-butter business; that if one process should pay a license fee and a tax, the other process should do the same.

There is another aspect of the case which the dairyman does not think of, but which the public is thinking a good deal about in these days. The consumers of bogus butter buy it, pay for it with their own money, eat it, and say nothing. All the fuss and complaint comes from the dairyman. He not only assumes that his neighbors have no right to make butter out of tallow or lard, but he asumes that the public have no right to buy and eat what they wish. And he is about to appeal to law in aid of his assumption. It is this disregard by one citizen of the rights of another that is to-day plunging the country into an abyss of anarchy. The American dairyman is thoughtlessly seeking to tear away one of the foundation stones of republican government. The rank injustice of the act consists in this: That the supreme law-making power of the country, an engine that is owned in common by all the people, and should be exercised only in the common interest, is to be set in motion in the interest of a few and against the many. The protective tariff man would suppress the foreign producer in order that he and his employés may put the domestic consumers just where they want them. The protective dairyman goes one step further and would suppress his neighbor, the domestic producer of butter (of a certain kind), in order that he may put the domestic butter consumer just where he wants him.

The Knight of Labor goes one step further still. Quick to profit by the example set by other protective men and associations, he would suppress his fellow-workman who is a non-union man, and thus put his employer and the consumer just where he wants them. But with this difference: The tariff man and the dairyman work out their plans through laws passed in their own interest. The Knight of Labor, caring nothing for the sham talk about protection to American industry, or the sanctity of the cream-butter making process, instead of going to Washington, gets a club and goes straight to his employer's shop and there keeps other men from working, drives thousands of fellow-workmen into idleness, and until the employer will hire such men only and at such wages only as the Knight of Labor dictates, makes the law for himself. The dairyman uses the law, the Knight of Labor a club, to accomplish his selfish purpose.

Can a farmer afford to set an example for such tyranny? Dairymen are apparently losing ground, just as myriads of other men have lost ground and been displaced by new processes and later inventions. A great part of the railway capital of the country has become absolutely worthless because of the great number of new railroads that have been built. Canal-boats and stages disappeared before the locomotive. Sperm and lard oil gave way to petroleum. The Suez Canal put out of commission one-third of the merchant marine of Europe, and to-day electricity and natural gas are ruining coal property and driving tens of thousands of coal miners to seek new means of living.

The dairyman is only having his share of the burden of advancing civilization. I have said above that he is apparently losing ground. I believe his loss is only apparent. If imitations of butter are properly branded he need have no fear that the sweet, pure article that comes unadulterated from nature's living fount will be displaced by that which is manufactured.

The following report from the Judiciary Committee on this subject is itself a full answer to the bill:

Mr. TUCKER, from the Committee on the Judiciary, submitted the following report, to accompany bills H. R. 4809, 4171, 4172, and 1054.

The Committee on the Judiciary, to whom have been referred House bills 4809, 4171, 4172, and 1054, ask leave to report:

The questions submitted by these bills to this committee are of great importance, and involve the fundamental principles of the Constitution.

For our purpose the evil consequences to the regular producer of butter or any other article by the permission of a product by the spurious competitor, and even the results to health of the people, may be conceded. The contention is not as to the existence of the disease, but what is the remedy, and by what authority is it to be applied?

Your committee do not think that the evil complained of can find its remedy from what Congress can do, except as hereafter stated. The legislation, if proper, must be sought from the States.

No grant of power to Congress in express terms or by fair inference from express grant can be found which would authorize any law by Congress to prevent the production of anything by a person in a State of the Union. Congress may have some power over production in the District of Columbia, or where its power of exclusive legislation extends, or in the Territories. But the power to forbid the production of butter, or wheat, or tobacco in a State will scarcely be asserted by any one.

Questions which concern the production of the soil or otherwise, the health and well-being of the people of the State, belong to that large class which, for want of a better name, has been termed the police power.

The powers of Congress refer to the foreign relations of the State to their relations *inter se*, and do not pass within the confines of that interior life which constitutes the being and the civilization of a commonwealth. These are subjects for State legislation. A stranger to these local interests and internal concerns, under our system, must not intermeddle with them.

The evil to result from the exercise of the power as to oleomargarine is not seen by one who looks only to the extermination of the unwholesome product, but dairymen would readily perceive it if the power were directed against the production of butter. The question, then, of power is the primary one.

The concession will be made by most constitutional lawyers that Congress can not directly forbid the production of this or any other article in the State. But there are two modes in which it is supposed that Congress may operate on such a product; these methods are indirect.

First it is said that Congress may act upon it through the power to regulate commerce; and second, that as it may tax any article, it may tax oleomargarine, and so heavily as to put a stop to its production. Let us examine these in their order:

First. The power to regulate commerce is one of the most valuable and important of all those granted to Congress. It had two prominent objects: affirmatively, to give to the Federal Legislature the control of foreign and interstate commerce; and negatively, to take it from the States. The use of it by the States, under the confederation, put restrictions on trade and intercourse, and created inequalities between the States, which it was believed the Federal Government would not do if the power were vested in Congress.

It is an interesting phase of this discussion, whether the purpose to deny to the States this important power was coupled with a purpose to give to Congress the power to do all that is intended to be denied to the States. For example, it is clear that a State may not prohibit the transit or admission of the ordinary products of another State through or into its territory. But does it follow that Congress may do so? May not the absence of right in the State to do so rest upon another clause of the Constitution which gives equivalent privileges and immunities in every State to citizens of every other with its own citizens?

Your committee are not aware that it has ever been asserted for the power to regulate commerce that it involved a power to prohibit the free transportation of the products of each State through and into every other; and it could hardly have been within the minds of the framers of the Constitution to give to Congress the power to do so, when history shows that the purpose of giving the power to Congress and taking it from the States was to prevent the very result which this construction of the clause would involve and bring about. Be this as it may, no such power under this clause has been heretofore claimed, and has, in regard to the interstate slave trade, been denied by the *dicta* of eminent judges. (Groves *vs.* Slaughter, 15 Peters, 449.)

It may be within the meaning of this clause to require such needful regulations as to articles transported from State to State as will conserve the safety and well-being of the transportation, but the right to say what articles shall and what shall not be the subject of commerce is not included in the regulation of the commerce in such articles. The transportation of the article is the commerce in that article; the regulation of that transportation does not touch the right to transport the article under the regulation. Freedom as to the articles to be transported is reserved to the citizen; its transportation, as to mode, &c., is subject to the regulation of Congress.

And this is the more clear because the judicial decisions have never impinged upon the power of each State to control the right of its citizens as to food, clothing, &c., under what is called its police powers, and the right of Congress to enact anything like sumptuary laws for the States is nowhere granted, was expressly refused by the convention (3 Mad. Papers, 1369, 1370), and has never been seriously claimed in this first century of our constitutional history.

Your committee therefore do not think that Congress can, as a regulation of commerce, forbid or restrain the free transportation of any article from one State into another. It can regulate its transportation for its safety and for the safety of other articles or persons transported in the same or annexed vehicles provided for their carriage.

The question remains whether, under a regulation of commerce, a duty or tax may be laid upon it. Clearly not, when carried from place to place within a State, for that is not interstate commerce in the article. But how when carried from one State to another?

Regulations of commerce and revenue are wholly distinct in constitutional language. The first clause of Article I, section 8, gives the revenue power to Congress. The third clause of the same gives the regulation of commerce to Congress. In Article I, section 9, clause 6, the phrase "regulation of commerce or revenue," is used, thus emphasizing the distinction. In the convention, at one time, the revenue power was left to be exercised by a majority vote of Congress, the regulation of commerce by a two-thirds vote.

These facts, and the preconstitutional and revolutionary assertion of this distinction, leave no reason to doubt that it was never intended that Congress should lay any tax or duty on the transport of an article from one State to another. Nothing in the debates of the Federal convention, nor in those of the States ratifying the Constitution, nor in the Federalist, gives any shadow of claim to this power, and such a construction of the clause has never been asserted in any act of Congress or in any serious proposition to that effect.

Your committee therefore conclude that under the power to regulate commerce no power to forbid, restrain, or tax any product of industry is conferred on Congress.

Second. It remains to inquire whether oleomargarine or any other product may be subjected to an internal-revenue tax.

If the power to lay taxes (Const. U. S., Art. I, secs. 8 and 9) involves the power in Congress to select any article for excise or other tax, as seems to be now settled by the practice of the Government (and no doubt properly so settled), then the right to tax oleomargarine is undoubted.

But your committee are constrained to add that this is a revenue power. The right "to lay" is conjoined with that "to collect taxes," and the right to lay and collect is conjoined with the purpose "to pay the debts and provide for the common defense and general welfare." The power is conferred in order to the duty imposed on Congress. It is a trust power, and becomes a right only when

used for the purpose in view. The tax is the means to the end, and is only legitimate and rightful when needful for the end.

To use the tax when needless for revenue merely to strike down a product or an industry is to abuse a constitutional trust; and while the power may be conferred, the right to use it in such case can not be asserted. All power under our system is trust power; to use it for the trust makes it a rightful power; to use it *diverso intuitu* is wrongful perversion and abuse of power, and is contrary to the Constitution. In other words, as Congress can not forbid the production of an article in a State by direct legislation, it can not use a power conferred for another purpose to destroy and prevent such production. To do by indirect means what it could not do by direct legislation would be an unworthy evasion of constitutional limitations, which can not be sanctioned by an enlightened construction of the Constitution.

It is true that in such case the judicial power may not be able to declare such taxation void, because the judge dare not look into the intents of the legislator's breast, but the legislator who so abuses his trust and wrongfully misuses power can not avoid responsibility to his own conscience, bound as it is to support the Constitution; for by personal introspection he will find his motive not to be a tax for revenue to the Government, but a tax as a means of destruction to the product subjected to it; that is, tax used as an instrument of destruction and not as a means of revenue.

Your committee therefore think that Congress may lay the tax, if it be needed for revenue, but does it against right if only to restrain and destroy the use and sale of the article in question.

Your committee will now proceed to consider these various bills in detail.

Bill H. R. 4809 is broad in its terms and makes it unlawful and a misdemeanor for any person or corporation to make or sell any adulterations or imitations of food anywhere, and punishes it by fine and imprisonment. If this were passed all the industries engaged in food production in every State would be subject to the absolute power of Congress. This claims the direct power for Congress to permit or prevent production, to allow or to destroy it, and to regulate all sales and transfers of any such product in a State. Unless your committee have greatly erred in the views presented this bill is clearly unconstitutional.

Bill H. R. 4172 limits the power to the District of Columbia, forts, &c., and to the Territories, and while not forbidding production or sale, requires notice of the nature of the article to be labeled upon it. This bill does not conflict with the Constitution, as exclusive legislative power is vested in Congress over these places, except the Territories, and the power to govern these last is fully recognized as in Congress. Your committee, however, do not recommend its passage. The policy of this legislation is more proper for other committtees, and is hardly within the jurisdiction of this committee except upon the inquiry as to power to pass it.

The same general remarks apply to H. R. 4171. The question of power is settled as to places by the considerations applied to H. R. 4172. But the bill is indefinite in the description of the offenses, and dangerous in the powers conferred on the so-called sanitary board, and the effect given to their reports. The bill should be carefully restrained in its operations, the offenses accurately defined, and the reports of the said board be allowed no such effect against the property, liberty, or other rights of the citizen. The policy of this bill is not proper for the consideration of this committee, and should be referred to some other.

Bill H. R. 1054 is liable to the objection that it, under the apparent purposes to regulate interstate commerce, forbids the commerce between the States in certain articles. It strikes at the articles, and does not regulate commerce in them. It is not a regulation of commerce, but a destruction of all commerce in certain condemned articles.

Its other provisions for enforcing the law and defining the offenses are not satisfactory, but these are more proper for the consideration of some other committee of the House.

Your committee therefore report back bills H. R. 4809, 4171, 4172, and 1054 with a recommendation that they do lie on the table.

Oleomargarine.

SPEECH

OF

HON. JOSEPH LYMAN,

OF IOWA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, May 26, 1886,

On the bill (H. R. 8328) defining butter, also imposing a tax on and regulating the manufacture, sale, importation, and exportation of oleomargarine—

Mr. LYMAN said:

Mr. SPEAKER: I am in favor of the pending amendment to make the license tax for manufacturers of oleomargarine $200 instead of $600 per annum, and at the proper time I shall support amendments reducing the license tax for wholesale dealers to $100 per annum instead of $480, as provided in the bill, and the license tax for retail dealers to $25 per annum instead of $48. In my judgment also, 3 cents per pound is a sufficient tax upon the product. I believe those figures will accomplish that which ought to be the purpose of this legislation, and will not work the injury to one class of our citizens, to whom I shall presently refer, which the figures fixed in the bill might do.

Much has been said during this discussion upon the power of the Congress of the United States, under the Constitution, to enact the proposed legislation now pending. I have no trouble or doubt upon that question. A country of the vast territorial extent of ours, inhabited by fifty millions of intelligent, enterprising, and progressive people, can not be hemmed in and throttled by a Constitution which might have been entirely adequate to the wants of a country bounded by the Alleghanies upon the West, and the Atlantic upon the East. The fathers no doubt anticipated something of the state of facts with which we stand face to face to-day, and hence, in my judgment, gave us a Constitution so broad, and, if you please, so uncertain and ambiguous in its terms, that it is capable of being so construed as to meet every want of our people, and provide a remedy for every evil which can be met by human agency. The day, in my opinion, is at hand when our courts and our people and their representatives will no longer tolerate the narrow and constrained construction of the Constitution which deprives us of power to preserve our institutions, but will demand that it be so construed as to give to our General Government power to do anything and everything necessary for its own preservation, and for the welfare and happiness of the people, unless the particular act contemplated shall be expressly prohibited. This conclusion is the inevitable result of the logic of the events occurring in this country during the twenty-five years just past.

The underlying and main object of the bill is to raise the necessary revenues for the support of the Government. That Congress has the right to do this, and to tax certain articles and products and to leave others untaxed, is well established. But we are told that the revenues are not needed, that we have an overflowing treasury. Whatever may have been the fact in that regard one year ago, after fifteen months rule of the party now in power it is not true. The present Secretary of the Treasury, the financial head of the Government, says in his last report that on the 30th day of June, 1887, there will be a deficit in the Treasury of over twenty-four millions of dollars. This estimate is based upon the revenues and expenditures of the past year. The present Congress has already enacted such legislation as will double that deficit, and it also threatens to reduce the revenues in a much larger proportion. So that we shall need the revenue to be derived from this bill, especially if the party now in power is to remain at the helm.

I do not believe that we should endeavor, by legislation of this nature, to prevent the manufacture and sale of the products, by the terms of this bill, called oleomargarine. I do not believe that in and of themselves they are improper articles of food, or that they are necessarily deleterious to health; but I do believe that we should, if possible, enact such laws as will compel the manufacturers and dealers therein to sell them for what they really are, as oleomargarine and not as butter. When this object shall have been attained, and the demands of our Treasury for revenues shall have been met, we should, in my judgment, call a halt, and go no farther.

There are three classes of people whose interests are to be affected by this legislation, and which interests are equally entitled to our consideration. And here let me say that I am a protectionist. There is no gentleman on the floor of this House more earnestly and uncompromisingly so. I represent here, in part, the farmers of Iowa. They, too, believe firmly in the protection of American labor and of American industries, and in a home market for their surplus products. They ever have been and they ever will be for the promotion of these great ends, and will march shoulder to shoulder with representatives of all other American interests and industries, whether they be the wool interests of Ohio, the iron interests of Pennsylvania and Georgia, the cotton-manufacturing interests of New England, or any other interest of any locality in America. Wherever American labor and American industry of any kind need protection and defense there you will find Iowa Republicans. We are protectionists from principle, because we believe it the wisest and safest policy for our whole people, without regard to local interests merely. I am not going, and the people whom I represent do not desire me so to do, to part company with my venerable and esteemed friend, the gentleman from Pennsylvania [Mr. KELLEY], on this question. But, in my judgment, this whole question is foreign to the question now before us. There is no question here of protecting American labor against the pauper labor of Europe, and no question of protecting the product of American labor against the products of the pauper labor of foreign lands.

I have said there are three classes of people to be affected by this bill:

First. The dairy interests. This is an American industry.

Second. The oleomargarine interest. This is also an American industry.

Third. The consumers of the products of both, the American people.

Neither one of these two industrial pursuits should be unduly protected as against the other. The consumers of the product of both should, however, be protected against imposition and fraud. Oleomargarine should not be sold as butter. But if it is not deleterious to health, when properly manufactured, and the very large and constantly increasing number of people, who are inadequately paid for their labor, and who in order to support and educate their families must have cheap clothing and cheap food, and all other people, knowing what they are buying, desire to purchase and eat oleomargarine, I want them to have an opportunity to buy it, and to buy it at the cheapest possible rates.

That class of people to which I have just alluded is constantly increasing in the United States. In the early days of the Republic, when the people were generally engaged in agricultural pursuits, the farmer raised out of the ground the material out of which the good housewife wove the homespun garments which clothed him and his family. He produced by cultivation of the soil nearly all they ate. Now it is different. The noise of the manufactory is heard on every side. The country is a network of railroads. The earth is honeycombed by the miners' labors. All the employés of these great enterprises are not producers, but are consumers. They are generally inadequately paid for their labor, and too often very, very inadequately paid. In order to

support and educate their families they must have cheap food, and if the proper manufacture of oleomargarine aids them in this, Congress has no right to arbitrarily deprive them of it. I do not mean that we shall permit a fraud to be practiced upon them by permitting this product to be sold as butter, which it is not, but that after deriving such revenue therefrom as the necessities of the Government may require we should make the taxes on it just as low as will secure the identification of the product and prevent deception and fraud. For these reasons, briefly stated, I am in favor of the main features of this bill, and am also in favor of the proposed and suggested amendments to the same, believing that the wants of the revenue will be met thereby, and that all other legitimate objects will be accomplished, fraud and deception prevented, and the rights of no class of American citizens be unduly infringed upon.

Oleomargarine.

SPEECH

OF

HON. FRANK C. BUNNELL,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, May 26, 1886,

On the bill (H. R. 8328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine.

Mr. BUNNELL said:

Mr. CHAIRMAN: Representing as I do one of the largest agricultural districts of Pennsylvania, I feel it my duty to say a word against this growing abomination which seeks to destroy the legitimate dairy interests of this country. By the destruction of this useful industry you have but begun the downfall of the whole system of agriculture. The prices asked by manufacturers and dealers in fertilizers to feed our lands places them beyond our reach. Thus we are compelled to keep our farms well stocked with domestic animals to keep our lands in a state of productiveness. Without this means of sustaining them they will become poor indeed and the impoverished farmers will be obliged to move off and seek other employment.

Where to-day may be seen luxuriant grasses and rich grain fields and beautiful herds of cattle pasturing on the hillsides you will be obliged to view a spectacle of shameful contrast, such as poor fences, dilapidated farm buildings, barren soil, and a class of our most industrious, and intelligent citizens reduced to poverty.

During all these years of protection to other industries the farmer has contributed to their support uncomplainingly by paying increased prices for his machinery and most articles of his consumption. And he would not appear before this Congress to-day asking redress for his grievances were he not confronted with organized capital seeking in true monopoly style to encompass his financial ruin. Unscrupulous manufacturers are occupying his markets with a cunningly devised counterfeit on his productions, so indispensable to all the people alike of this country.

The national debt would sink into insignificance compared to the depreciation in value of our farms and herds of cattle if this injustice be permitted to continue. Already this loss is to be computed by hundreds of millions of dollars, and we have but fairly started on the downward path provided for us by these soulless, counterfeiting, stomach-defiling manufacturers of spurious butter.

Legalizing unlimited counterfeiting of our coins by the Government for the same period of time would scarcely be more disastrous to this country and certainly no more criminal to the farmer.

The provisions of this bill, if unreasonable in any particular, is in favor of the dealer in mysterious butter which becomes so delicious under the professional manipulations of talented chemists and the beautiful Annarian names bestowed upon the production. However, the facts show that about all this carefully prepared, useful, angelic friend, as is claimed, of the laboring men is thrust before us as just plain, honest creamery butter.

From the evidence produced before the Committee on Agriculture it is shown that in its greatest purity of manufacture the cost is from 7 to 8 cents per pound. With the 10 cents proposed tax to be added, the honest dairymen are still placed at a disadvantage of at least 5 cents per pound, the one an honest production, the other a counterfeit. The arguments and petitions of these manufacturers, who count their profits by the hundreds of thousand dollars annually on this product of high art, poses it before us as the laboring man's friend and that it is demanded by reason of its cheapness.

This is a piece of effrontery that the laboring men of my section will characterize as unblushing assumption. We are all laboring men in Northern Pennsylvania, and when the powerful firm of Armour & Co. and others condescend to sympathize with us by giving us this dressing for our bread at from 100 to 300 per cent. advance on its cost we desire it understood, and distinctly so, that their benefactions are savored with suspicions and the benefactors are unappreciated.

Think of it! What consistency! No doubt they might be induced to furnish us with clothing and other necessaries at a like profit; but no danger—our people are better judges of all wool and a yard wide than of oleomargarine.

This nefarious business has only prospered when sailing under the flag of deception, just as a counterfeit coin peregrinates until discovered and exposed.

I believe in protecting every industry in this land, and I deny that this tax is to be a burdensome one if this article is as useful and necessary as the opponents of this bill claim it to be. The price to the consumer will be no more. It will only reduce a profit akin to theft to one still five times greater than any farmer realizes on his hard labor. Let it be sold for what it is, giving it a coloring distinct of its own, so that he who runs may read. Paint it sky-blue, pink, or any color that it may not lose its identity; then if the people pray for it and the children cry for it you will find me, Mr. Chairman, among the first to vote for a measure to relieve it of its burdensome tax. The farmer has made his appeal honestly and modestly, but I assure you it is earnestly. He does not petition you for a grant or a subsidy. He only asks of us to protect him in a free field of competition; this done, he will continue his labors—unremunerative though they may be, it will be without complaint.

He did not call upon this Congress until his grievances became unbearable. Nor will he be turned away from these Halls unheeded. Every member of this House is now familiar with this subject, and I trust the appeal made by these honest men asking for honest rights and just recognition may receive the protection so justly demanded. I am amazed when I listen to the arguments of gentlemen who claim they can not support this bill on the ground that it is protection to one industry at the expense or destruction of another. Here let me say that I heartily agree with them if it be an industry. But when a business depends on fraud of the most deceptive character for success, well knowing this counterfeit is to be passed on the innocent consumer for the genuine, is it not quite time this legislative body provides a punishment for an offense so great against the rights of our citizens? Good morals require it and the health of our people demands it.

Business of Committee on Pacific Railroads.

SPEECH

OF

HON. JAMES D. RICHARDSON,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Monday, May 17, 1886,

The House having under consideration the following resolution—

Resolved, That Saturday the 5th and Tuesday the 8th days of June, 1886, immediately after the morning hours, be set apart for the consideration of measures reported from the Committee on Pacific Railroads, not to interfere with revenue or general appropriation bills, nor with prior orders, nor with the consideration of reports from the Committee on the Public Lands under the special order; and if the consideration of such business be displaced, then the next days not previously set apart shall be devoted to the consideration of the same until it shall be disposed of, or until two days shall have been consumed, subject to the above-mentioned interference—

Mr. RICHARDSON said:

Mr. SPEAKER: I have been directed by the Committee on Pacific Railroads to ask the House to adopt the resolution which has just been read. This resolution, as you will perceive, sets apart two days to be devoted to the consideration of measures of public importance pertaining to the system of Pacific railroads which have been reported from that committee. These measures, sir, are not of private or local interest, but measures in which the whole country is interested——

Mr. RANDALL. Will the gentleman be kind enough to indicate them?

Mr. RICHARDSON. It will give me pleasure to do so.

"JOINT RESOLUTION AUTHORIZING AN INVESTIGATION OF BOOKS, ACCOUNTS, AND METHODS OF PACIFIC RAILROADS."

One of the measures which we will ask the House to consider will be the House joint resolution 170, introduced by myself, the object of which is to authorize the Secretary of the Interior to appoint experts whose duty it shall be to investigate the books and accounts and methods of the Pacific railroads which have received aid in bonds and land grants from the Government.

The purpose of this investigation is to ascertain whether these roasd have observed all the obligations imposed upon them by the laws under which they received such aid, or which have been since passed in reference thereto.

In view, sir, of the vast interest the Government has in these railroads, and its liability for them, it is of the utmost importance that Congress and the country shall know whether or not said obligations have been and are being disregarded by the companies.

It is well known that the indebtedness of these roads to the Government, growing out of bonds issued in their aid, amounts now to almost a fabulous sum. I will here insert a table showing the indebtedness of these roads:

Name of railway.	Principal outstanding.	Interest accrued and not yet paid by United States, due July 1, 1885.	Interest paid by United States.	Interest repaid by companies to credit of bond and interest account.		Balance of interest paid by United States.
				By transportation services.	By cash, 5 per cent. of net earnings.	
Central Pacific	$25,885,120	$776,553 60	$25,782,216 07	$5,134,185 31	$648,271 96	$19,999,758 80
Western Pacific	1,970,560	59,116 80	1,845,599 34	9,367 00	....	1,836,232 34
Union Pacific	27,236,512	817,095 36	27,409,136 49	10,647,579 36	283,162 99	16,478,394 14
Kansas Pacific	6,303,000	189,090 00	6,696,603 09	3,284,294 23	.....	3,412,308 86
Central Branch Union Pacific	1,600,000	48,000 00	1,693,808 26	219,746 48	6,926 91	1,467,134 87
Sioux City and Pacific	1,628,320	48,849 60	1,610,846 29	178,659 68	.....	1,432,186 61
Total	64,623,512	1,938,705 36	65,038,209 54	19,473,832 06	938,361 86	44,626,015 62

This table is from the public-debt statement and report of Commissioner of Railroads, 1885, page 3, and shows that the total of the debt now amounts to $109,249,527.62.

It is also known that under the act of Congress commonly called the Thurman act, passed May 7, 1878, these roads are compelled to pay into the Treasury, as a sinking fund to protect the Government in its liability for them, 25 per cent. of their net earnings. These railroads operate not only their main lines, which have received aid from the Government, but they also operate largely branch lines and other lines which have not been subsidized by the Government. Under the Thurman act the Government is only entitled to receive its 25 per cent. of net earnings out of the assets of the roads on the aided or subsidized portions thereof. This being true, it is to the interest of the roads to have their books so kept as to show the earnings upon the unaided portions or branches thereof rather than from the aided portions, it being seen that the Government receives no benefit whatever from the income of those roads on the portions and lines which have not received aid from the Government.

From a very careful investigation of their accounts before the passage of the Thurman act and since its passage, I have no hesitancy in saying that the Government is year by year, and every year, being robbed by these gigantic corporations, simply by their system of keeping their books. In other words, it is not believed that their books show properly their net earnings on the aided or subsidized portions of the roads.

To my mind there is no question that by their system of book-keeping there have been large diversions of the net earnings of the aided roads to less productive unaided branches and other wrongful and improper purposes. I do not doubt that this investigation will show that their reports have been falsified, their receipts cut down, and that in the most improved methods of book-keeping and stating accounts the Government has been robbed and swindled. I feel quite sure that the investigation will show that discriminations have been and are being made in both passenger and freight rates in favor of the unaided as against the aided roads. This fact is made manifest upon the examination of their accounts and books, because they show that the receipts from the portions of the roads which have been aided and upon which the Government lien rests are declining every year, while upon the several branch roads and unaided lines, not subject to the lien, the earnings are increasing. This is notably so since the passage of the Thurman act. I, for one, do not believe that upon an honest and fair statement of their accounts such a result will be shown.

It is impossible for your Committee on Pacific Railroads, or any other committee of this House, to make the investigation which will be necessary to develop all the facts incident to this investigation. Erroneous reports are to be examined, improper settlements reviewed, their accounts for years overhauled, to the end that they may be required to contribute to the Government what is justly and properly due from them. Only the most efficient and competent experts can make such an examination.

It was believed by Congress when the Thurman act was passed that 25 per cent. of the net earnings of those railroads, if properly accounted for to the Government, would provide a sinking fund which would eventually relieve their indebtedness and save the Government in its liability for them. This would probably have been true if the net earnings were properly shown in their books and their reports and the 25 per cent. properly accounted for. It is a fact well known, also, that this per cent. as shown upon their books and in their annual reports, falls far short in any such calculation at this time. This indebtedness, instead of being diminished, is annually being increased, so that by the time of its maturity, in 1898, it will have grown so large that it will be impossible for these corporations to discharge it, and thus the Government will be forced to take charge of these roads, and will suffer irreparable injury. After what I have stated the necessity for the contemplated investigation must be apparent to all. But I desire to close my remarks on this question by inserting here a letter furnished me by the Department of the Interior to show specifically that the aided roads have not been receiving their fair proportion of earnings of the roads:

DEPARTMENT OF THE INTERIOR,
OFFICE OF COMMISSIONER OF RAILROADS,
Washington, D. C., April 12, 1886.

SIR: In answer to your inquiry I have the honor to state that I made a special examination during July and August, last summer, of the accounts of the Kansas Division, Union Pacific Railway Company (formerly the Kansas Pacific Railway Company), in order to determine whether the aided road had been receiving its fair proportion of the earnings of the line from Kansas City to Denver, such earnings having been heretofore apportioned to the aided an unaided parts respectively upon a mileage basis. Owing to the great amount of labor involved I could examine the accounts for but six months, from January 1 to June 30, 1885, with the following result:

By charging each portion of road with the earnings from business confined exclusively to it, and crediting it with such part of the expenses as could be definitely located thereon, then apportioning the remaining earnings and expenses to each part on well-established basis of railroad accounting, it found the net earnings of the aided road increased 57.44 per cent. or $272,731.19, making an increased payment to the Government, at 5 per cent. of net earnings of $13,636.55, or an estimated increase for the year of $38,663.46.

Very respectfully,

THOS. J. WALKER, *Clerk.*

Hon. G. A. JENKS,
Assistant Secretary.

This letter, sir, only shows the result on one of the branch lines, or unaided lines. There are not less than twenty-nine of these branches. The loss to the Government, as shown in this one case, is $38,663.46 in one year's time. If the same proportion of loss is kept up on all the branches and unaided lines—there being twenty-nine branches—it will be seen that the amount thus lost is not less than $1,100,000 each year. Run this through a number of years and it will be seen that by this one method the Government is being outrageously robbed. This is, however, only one of the measures reported from the committee, and to which we will invite the attention of the House on the days we have asked to have set apart.

"ADJUSTMENT AND PAYMENT OF INDEBTEDNESS OF PACIFIC RAILROADS."

The next measure is House bill 8318, which provides for an adjustment of the entire indebtedness of all the Pacific railroads. Under the law and contract at present existing the indebtedness of these roads will mature in 1898, and for the payment thereof the companies are making no adequate provision. At the present rate of increase, by the date of maturity of this indebtedness it will amount to not less than $130,000,000. The object proposed in the bill is to set forth a plan or method whereby the Government shall be secured the certain payment of all the money it has advanced to the Pacific railroads, and that there shall be an immediate commencement of payments by them. These payments are to be in semi-annual installments.

To do this upon a strictly business basis and not overburden the roads nor give them an excuse to tax unduly the people who are compelled to use their lines, it will be necessary to grant them an extension of time, although they will be required to begin payment at once, more than eleven years before the debt is due; and by the maturity of the debt in 1898 they will have paid over $41,000,000 of the indebtedness.

The Commissioners of Railroads for several years past have recommended a change in the law applicable to these roads. General Joseph E. Johnston, the present Commissioner, in his report to this Congress, uses this language:

It is therefore suggested that it might be alike advantageous to the Government and to the Pacific Railroad companies to substitute for the present law one fixing an annual or semi-annual payment by the companies concerned, which should extinguish their debts to the Government in a reasonable time.

I now beg leave to have read as a portion of my remarks an extract from the report of the Committee on Pacific Railroads made to accompany this bill.

The Clerk read as follows:

For a practical solution of this question the committee offers the accompanying bill. The scope of it is to find the total amount, principal and interest, that shall have been paid for each one of these companies on their subsidy bonds by the United States at their maturity. From this amount deduct all payments on

bond and interest account that shall have been paid by each company respectively up to the 1st day of October, 1886. Also find the actual value of the amounts in the sinking fund belonging to each company having one on a day to be fixed by agreement between the Secretary of the Treasury and the president of the company interested. Compute interest on that value at the rate of 3 per cent. per annum from that fixed day until the average date of maturity of the subsidy bonds, and subtract the amount of this sinking fund and interest from the amount of debt and interest chargeable against the company interested in the same.

Compute interest on the remainder of the debt and interest, after making these deductions, at the rate of 3½ per cent. per annum until such a date as will be the average date of one hundred and forty equal semi-annual payments. Add this interest to the remainder of debt and interest aforesaid, and divide the sum so found into one hundred and forty equal parts, each company to pay the first of these equal installments on the 1st of April, 1887, and another even payment every six months thereafter until the whole one hundred and forty shall have been paid.

This table gives an illustration of the result of such computation, with part of the amounts used, estimated.

Union Pacific Railway Company (including Kansas Pacific).

Principal of subsidy bonds		$33,539,512 00
Interest on same to maturity, thirty years, at 6 per cent		60,371,121 60
Total debt		93,910,633 60
From which deduct:		
Amount in bond and interest account March 1, 1886	$14,586,478 44	
Estimated increase from March 1 to October 1, 1886	532,600 18	
Amount in sinking fund March 1, 1886	6,210,365,53	
Estimated increase from March 1 to October 1, 1886	469,481 23	
Interest on $6,679,849.79 in sinking fund October 1, 1886, to average maturity of subsidy bonds, July 1, 1897	2,154,251 53	
		23,953,179 96
Remainder of debt and interest		69,957,453 64
Interest on same to October 1, 1921, twenty-four years and three months, at 3½ per cent		56,548,931 48
Total		126,506,385 12
Divided into 140 installments		903,617 03
Annual payment		1,807,234 06
Present worth		52,897,885 55
Discount		17,059,568 09

Central Pacific Railroad (including Western Pacific).

Principal of subsidy bonds		$27,855,680 00
Interest on same to maturity, 30 years, at 6 per cent		50,140,224 00
Total debt		77,995,904 00
From which deduct:		
Bond and interest account to March 1, 1886	$5,919,321 65	
Estimate from March 1, 1886 to October 1, 1886	276,798 61	
Sinking-fund account to March 1, 1886	3,225,609 55	
Estimate from March 1, 1886, to October 1, 1866	245,426 79	
Interest on $3,471,036.34 in sinking fund from October 1, 1886, to October 1, 1897, 11 years, at 3 per cent	1,145,442 00	
		10,812,598 60
Remainder of debt and interest		67,183,305 40
Interest on same to October 1, 1921, twenty-four years, at 3½ per cent		53,746,644 32
Total		120,929,949 72
Divided into 140 installments		863,785 35
Annual payment		1,727,570 70
Present worth		50,513,763 46

Central Branch Union Pacific Railroad.

[Average maturity of subsidy bonds, September 1, 1896.]

Principal of subsidy bonds		$1,600,000 00
Interest to maturity, thirty years, at 6 per cent		2,880,000 00
Total		4,480,000 00
From which deduct:		
Bond and interest account to March 1, 1886	$255,504 00	
Estimate from March 1, 1886, to October 1, 1886	12,000 00	
		267,504 00
Remainder of debt and interest		4,212,496 00
Interest on same to October 1, 1921		3,640,289 00
Total		7,852,785 00
Divided into 140 installments		56,091 00
Annual installments		112,182 00
Present worth		3,246,625 05

Sioux City and Pacific Railroad.

[Average maturity of subsidy bonds, January 1, 1898.]

Principal of subsidy bonds		$1,628,320 00
Interest to maturity, thirty years, at 6 per cent		2,930,976 00
Total		4,559,296 00
From which deduct:		
Bond and interest account to March 1, 1886	$198,034 07	
Estimate from March 1, 1886, to October 1, 1886	8,000 00	
		206,034 07
Remainder of debt and interest		4,353,261 93
Interest on same to October 1, 1921, at 3½ per cent		3,382,484 51
Total		7,735,746 44
Divided into 140 installments		55,255 33
Annual payment		110,510 66
Present worth		3,254,775 27

From these tables we have an approximate total annual from the companies of $3,757,496.

The period of extension for payment of the last installment is fifty-nine years beyond the date of maturity of the subsidy bonds, or an average extension of the whole debt of about twenty-four years beyond the date when the debt becomes due under existing law.

In consideration of the extension of time thus granted, all the earnings of the road by Government transportation upon any roads owned, leased, or operated by the company shall be applied to the payment of the current maturing installments, and no money shall be paid by the Government for transportation or service of any kind over the aided or non-aided roads until the installment next maturing shall be fully paid.

It extends the statutory lien and security now subsisting over all roads now owned or operated, or hereafter acquired, no matter where situated, by the companies, including telegraph lines, franchises, rolling stock, and property of every kind and description, to remain as security for the installments until all are paid, embracing over 3,500 miles of road, not now held as security by the Government.

The Union Pacific owns 407.33 miles of road and controls 2,687.08 miles of road, which is not covered by the present Government lien, and which, it is proposed by this act, shall become subject to the Government's lien for the payment of the debt, and the Government transportation over the same applied upon the installments of indebtedness every six months.

* * * * * * *

As an asset to some extent, also, available toward the payment of its indebtedness the company had on December 31, 1885, unsold lands to the amount of 7,446,585.82 acres, the estimated value of which was $11,281,468.30.

In addition to the 865.66 miles of the aided portion of road owned by the Central Pacific, that company owns 383.94 miles of road, and operates under leases 400.26 miles.

The value of these properties the committee can not state. This company holds 2,271,872 acres of land patented by the United States, which, at the low value of $2.50 per acre, should bring over $5,000,000, and it also owns lands and water front in San Francisco, Oakland, and Sacramento, valued at $7,750,000.

These assets of the two principal debtor companies are stated to show, not so much the substantial increase of security the Government will receive, as the probable ability of the companies to comply with the terms of the proposed plan of payment of their debts to the Government, and the strong motive they will have to promptly meet their obligations. But the amount of additional security furnished by any company accepting this act is not of great importance, because of the provision therein by which, eleven years before its debt becomes due, the company consents that the whole of its indebtedness to the Government shall become due and payable, upon default for six months upon any of the semi-annual installments which it agrees to pay. There is also another provision which will be mentioned a few lines further on, that ought to be considered in this connection. It is found in the tenth section of the bill.

It also requires that the company accepting the provisions of this bill shall also accept the provisions of the Thurman act, voluntarily yielding all questions of the constitutionality of said act, and to furnish, at the time of their acceptance, and as a part thereof, a complete schedule of the branch roads, bonds, stocks, and securities, and all property whatsoever which is to become subject to the additional lien of the Government.

It permits any of the companies to extend the payment or refund any balance of its first mortgage debt which it can not pay at maturity at a rate of interest not exceeding 4 per cent. per annum, and if any company shall neglect to provide for the payment of such debt or any part thereof or interest thereon, so that there is danger of foreclosure of the same by the holder of the same, the Secretary of the Treasury may pay off such paramount lien, by direction of the President, and the United States be subrogated to all right pertaining to the same, and the Secretary of the Treasury may then declare the whole debt of the company to the Government to be due within twelve months after default to repay the Government.

It prevents the payment of dividends until each company shall have paid its matured indebtedness upon its first-mortgage bonds, and also upon the Government installments. It guards the rights of the United States in the property now belonging to any of the companies, or hereafter to be acquired by them, add preserves all the powers of Congress over them which have existed in the acts concerning them, as well as the right to alter, amend, or repeal the same, and to alter, amend, or repeal this act.

The railroads and telegraph lines are required at all times to be at the service of the Government at rates as low as the lowest accorded to any individual for like service. The provisions of former enactments on this subject are fully sustained in this bill.

In order that the companies shall partake of the benefits of the proposed plan, they must accept the same under their corporate seals within three months after its passage.

The purpose of the extension proposed is to bring the semi-annual payments sufficiently within the ability of the companies to render such payments entirely certain, and it can not, in our opinion, be of any vital consequence to the Government whether the debt be paid in sixty or seventy years, so long as its ultimate payment can be certainly secured.

The necessity of this extension further appears from the fact that the first-mortgage bonds of equal amount with the subsidy bonds mature at the same time, and these bonds having under the act of 1864 priority of lien over the Government, which stands in the relation of only a second-lien creditor, must be paid before the Government can obtain anything, and such payment would so strain the resources of the companies that if no extension be given the probabilities are that the foreclosure of the first-mortgage bonds would extinguish the debt of the Government, unless it is prepared to pay for the Central Branch Union Pacific $1,600,000; for the Union Pacific, including the Kansas Pacific, $33,532,000; for the Sioux City and Pacific, $1,628,320; and for the Central Pacific, $27,741,000, to cover the debt with interest of the mortgage which has priority over the Government.

In the event of any one of the companies failing to accept the provisions of the plan of extension the Thurman sinking-fund act remains in full force and effect as to such aided road. The provisions of that act are extended thus conditionally to the three lines not hitherto embraced thereunder, with the percentage increased from 25 to 40 per cent. If the Thurman sinking-fund act thus remains in force by the neglect of any of the companies to accept the plan heretofore described, then the Secretary of the Treasury is given enlarged power in the investment of the sinking fund belonging to such company.

The Attorney-General is required to cause the provisions of this act to be enforced.

Your committee therefore recommend the passage of the accompanying bill.

"BILL TO REQUIRE NORTHERN PACIFIC RAILROAD TO PAY FEES FOR SURVEYING, SELECTING, AND CONVEYING ITS LAND GRANT."

Mr. RICHARDSON. The next measure which the committee will ask the House to consider is bill No. 3752, which is an act requiring the Northern Pacific Railroad Company to pay the costs of surveying,

selecting, and conveying the lands granted to this railroad. The necessity for this law is apparent and I trust it will not be questioned when I present the facts in the case as they exist and are known to the committee charged with the investigation of the affairs pertaining to the system of Pacific railroads.

The surprise should be, Mr. Speaker, that Congress has not long ago taken hold of this question, and forced this road and the other Pacific roads to make these payments. They are all guilty alike in this particular. But as reprehensible as their conduct has been, and as little deserving as they are of favor at the hands of Congress, the committee in dealing with them in this case have not proposed to put upon them any penalty for their past misdeeds. As I will show, the only object is to require them to comply with the letter of the law. The object is to require them to pay the mere pittance, comparatively speaking, of cost of surveying and conveying to them, or to their assignees, lands given them as a subsidy by the Government of the United States.

To get directly to the question involved in this bill, let me say that by an act approved on the 2d day of July, 1864, Congress chartered the Northern Pacific Railroad Company, by which said company was authorized to construct a road from Lake Superior to Puget Sound, on the Pacific coast, by the northern route, and made a munificent grant of land to aid in this construction. The terms of this grant and its conditions were much the same as the original grant of 1862 to the Union Pacific Company and its branches.

I say, Mr. Speaker, that a munificent grant of land was voted this road to aid in its construction. And so it was a munificent grant, amounting to about 46,947,200 acres, much of it as fine, fertile, and productive as any land on the habitable globe. This grant of land was almost equal in area to the States of Tennessee and Kentucky combined.

In this connection I quote section 20 of the act of Congress of July 2, 1864, chartering said road, in these words:

And be it further enacted, That the better to accomplish the object of this act, namely, to promote the public interest and welfare by the construction of said railroad and telegraph line, and keeping the same in working order, and to secure to the Government at all times, but particularly in time of war, the use and benefits of the same for postal, military, and other purposes, Congress may at any time, having due regard for the rights of said Northern Pacific Railroad Company, add to, alter, amend, or repeal this act.

In 1870 it became necessary that the lands or some portions of them within the limit of the grant to the Northern Pacific Railroad Company should be surveyed. Congress, with the unstinted liberality characteristic of that body in those days of prodigality, and with a kindness for which that corporation has utterly failed to manifest the slightest appreciation, voted an appropriation to make the surveys of the gift or subsidy to it. Not being satisfied with the enormous grants these roads received from the Government, it became necessary for the Government in bestowing the gift to pay the expenses of the survey of the lands given. Like the poor pauper perishing for bread, when a kind benefactor gave him corn he declined to accept it unless the donor would pay for its shelling and milling. Congress voted this money, but before doing so, on the 15th day of July, 1870, added this proviso:

That before any land granted to said company by the United States shall be conveyed to any party entitled thereto under any of the acts incorporating or relating to said company, there shall first be paid into the Treasury of the United States the cost of surveying, selecting, and conveying the same by the company or party in interest.

Here, Mr. Speaker, I beg to call attention to the difference in the language used in this proviso or amendment to the charter of the Northern Pacific Company, and the amendment of like character, and for similar objects to the Union Pacific Company and others of the Pacific system of roads. The proviso under consideration, as you see, stops with the words "costs of surveying, selecting, and conveying the same by the company or party in interest."

In the amendment to the charter of the Union Pacific and the other companies these additional words are found, "As the titles shall be required by the company." It may not be out of place for me to say that those roads having the advantage, as they deem it, of those words in the amendment insist that thereby they can not be called upon to take patents to their lands under the grants to them until "the titles are required by the company," and they are taking good care not to "require the titles" in fee-simple to such lands. Their defense is that until they take out the patents to their lands they will not be forced to pay the million of dollars advanced by the Government for them. They say they are not bound to take the patents until they require the titles. The decline to require the titles, and thus they say they will pay the Government not a dollar of this large sum, most of which has been due for twelve or fifteen years, having been paid out by the United States long since for them and their benefit.

Some of these companies, with what seemed to me an effrontery unparalleled, admitted to the committee through their attorneys while investigating this question that in all probability the companies would not require their titles to their lands in a hundred years, and perhaps longer.

But, sir, while the Union Pacific and the other roads of the system have the so-called benefit of the words in their amendments that they shall pay these costs "as the titles to their lands shall be required by the companies," I wish to emphasize the fact that these words do not appear anywhere in the charter of the Northern Pacific Railroad Company. This road has no such technical and flimsy defense, even as against this most reasonable demand of the Government against it. Its charter reads simply that before any land granted to it shall be conveyed to it, or any party entitled thereto, the costs of surveying, selecting, and conveying the same shall be paid to the United States. This, sir, to an ordinary mind would seem to be sufficient protection to the Government, and so it would be if this corporation was disposed to act with common fairness. A decent respect to that which is right and proper the framers of that law doubtless thought would lead these companies when they had earned the lands granted them to apply for and receive the patents therefor. Such would be the ordinary dealings between man and man, and such, I submit, was reasonably to be expected. We find, however, that with wicked ingenuity they dodge behind technical words in the law to evade responsibilities, or, as in this case, in the absence of a technicality even, the law is shamelessly defied. In this connection I wish to read the statement furnished me by the honorable the Commissioner of the Land Office for the purpose of showing to the House how much land the Northern Pacific Company is entitled to patent under the act incorporating it and the amount it will be required to pay into the Treasury of the United States for surveying, selecting, and conveying the same. It is as follows:

DEPARTMENT OF THE INTERIOR, GENERAL LAND OFFICE,
Washington, D. C., March 11, 1886.

SIR: In accordance with your verbal request of the 6th instant, for information concerning the grant to the Northern Pacific Railroad in connection with printed report No. 607, House of Representatives, Forty-ninth Congress, first session (herewith returned), I have to state that I am unable to furnish an accurate statement of the amount of land contained in the grant or even to approximately estimate that amount.

The estimates heretofore made are as follows:

	Acres.
Estimated area of the grant	46,947,200
Estimated area surveyed	21,732,542
Estimated area unsurveyed	25,214,658
Number of acres selected	11,057,824
Number of acres patented	746,390

Cost paid for surveying 381,470 acres, $17,024.32.
Estimated cost of lands surveyed (less 381,470 acres), $640,532.
Estimated cost of lands unsurveyed, $756,439.

Very respectfully,

S. M. STOCKSLAGER,
Acting Commissioner.

Hon. J. D. RICHARDSON,
House of Representatives.

In publishing this statement I wish to emphasize the facts shown therein. Nearly one-half of the enormous grant to this road has been surveyed, to wit, 21,732,542 acres. More than one-half of this land has been selected, to wit, 11,057,824 acres, while the company has had patents issued for only 746,390 acres. The estimated cost of surveying, selecting, and conveying the lands which have already been surveyed is the sum of $640,532, while the estimated cost of surveying, selecting, and conveying the unsurveyed portion of the subsidy will be $756,439. If they had "required the titles" to the land selected, which they ought to have done, they would have already paid into the United States Treasury the sum of $640,532. They have not taken patents for this land, however, but have only taken patents for 746,390 acres and have only paid the insignificant sum of $17,024.32.

It is not claimed that these figures are exactly correct, but they show at least the approximate result, and may be taken as substantially accurate.

If, sir, there was nothing else in this bill but a provision demanding reimbursement to the United States Treasury for the amount paid out for this company in surveying these lands, and for what will have to be paid out hereafter, there would be ample reason for its passage by this Congress. But there is much more than this involved. So long as the title to this subsidy is left to the United States, and no patents taken out by these companies, just so long do these lands escape all taxation, State, county, and municipal. The roads may sell them off as they have done; may mortgage them for millions of dollars as they have done, and get the money for them; may build up cities, villages, and towns upon them as they have done; may convert them into farms and sell them on ten years' credit with yearly payments as has been done; may receive the proceeds from such sales as they are yearly doing, and deposit same in their own treasuries or the pockets of their stockholders free from any percentage thereon to the Government under any law, and yet pay not one dollar of taxes thereon.

Fruitless efforts have been made by the people along the lines of these roads to compel these vast corporations to pay their just and fair proportion of taxes on their lands; to make their contributions to build up school-houses, court-houses, and other public buildings, and in short to do that which all good citizens who desire protection and benefits from a government cheerfully do, make contribution to its Treasury, that the ends of government may be subserved, and the laws executed; but they are uniformly met with the answer "You can not tax our lands. The titles thereto are in the Government of the United States, and no tax can be levied thereon."

In the efforts to collect the taxes, litigations have followed, but always with the same result. In a very late case, the Supreme Court of the United States held that the "lands granted to the Northern Pacific Railroad Company in Dakota, are not subject to taxation, until the cost of surveying and selecting them has been paid into the Treasury of the United States by the company, although the road has been built before the levy of the tax." (See Northern Pacific Railroad Company *vs.* Rockne, county treasurer, &c., decided December 7, 1885, being an appeal from the supreme court of the Territory of Dakota.)

So long, then, as the patents to these lands have not issued out of the United States, so long as something is left to be done by the company before it has a complete title to the lands, they can not be taxed by the States and Territories; because, if you granted the power to tax you granted the power to take away and destroy the lien upon the land retained by the United States, for protection against the costs paid by the Government for surveying, selecting, and conveying the lands.

The Supreme Court have held that if the patents were issued, whether the costs were paid or not, the lands were taxable, because then the legal title would be in the company. It was also held that if the company had done everything it was required to do, to demand a title, then its land would be taxable, although the patent was not out of the Government, because it had a complete equity in the land. But inasmuch as the company had not paid the cost of survey, to give to the States and Territories the right to tax would give them the power to destroy the lien that the United States had elected to reserve to reimburse them for the advances they had made for the company.

It is apparent, therefore, sir, that as regards this vast domain, this immense grant of over 46,000,000 acres of land given to this corporation, it holds the land, it controls it, mortgages it, sells it, exercises indeed all the rights of ownership, and yet escapes the burden of taxation that falls upon every other species of property owned by every other individual in this broad land. These lands lie adjacent to other lands, owned by poor people, actual residents, who pay taxes regularly for State and county purposes. The company may sell its land to an actual settler, who takes possession, and improves the land, lives on it and enjoys it, but he pays no taxes, because his title is in the Government, the patent never having issued. He has only a bond for title, but this is eminently satisfactory to him, for the Government is a good trustee to hold his title, and by such a device he escapes all taxes.

It is known that these lands have been and are being sold by these companies on ten years' credit to actual settlers, giving them only bonds for title, and for these ten years they are to escape all taxation. And even at the end of the ten years, unless a change comes over the dreams of the companies, they will not then perfect their titles to the land by paying the expenses mentioned, but will go on and on as stated indefinitely. These purchasers may not be willing to risk simply a bond for title from the railroad, and may require a deed in fee-simple, which they could do, but their lands, nevertheless, would not be taxable, because the patent had not issued taking the title out of the Government.

These things are not right, Mr. Speaker, and this Congress should not hesitate one moment to give us a hearing and pass this bill, and thereby remedy the evil.

Complaints are being made by the States and Territories through which this road runs of the great injustice thus tolerated and permitted by the United States. They are just complaints. These States and Territories have the right to appeal to Congress for relief. It can only come through Congress. This is a plain business proposition, and as business men we should meet it. There is no effort to excite the prejudices of members against this corporation. Congress in delaying the action asked here only prevents the States from exercising the sovereign right to tax property within their territorial limits. This is not an effort to take the lands from this company, but I do say, sir, that the United States Government has shown this and the other companies favor enough, and should not now grant them the additional favor of preventing their lands from being taxed to the great injury and embarrassment of the States and Territories.

The Northern Pacific Railroad Company has offered no kind of excuse or justification for its failure to pay these costs. It has no excuse. I do not overlook the fact that benefits have resulted to our common country from the building of these roads. It is conceded that much of the territory traversed by them was not long ago considered a great desert, which has since their advent been made to blossom as the rose; that before their construction much of it was—

> A solitude of vast extent untouched
> By hand or art; where Nature sowed herself
> And reaped her crops.

But, sir, the Government has done enough for them; it has done its part; let them now be required to do their part by the public which still has some rights left they are bound to respect. The remedy, sir, is found, in my opinion, in the bill mentioned.

By reason of the technicality of our land laws the bill is a long one and may be called technical. We believe, however, it affords the remedy for the evils I have set forth, and out of which the complaints have arisen. An examination of the bill will show that it provides that within ninety days from the passage of this act, or within sixty days after the filing in the respective land offices in the districts where the lands lie of plats of the townships embracing the lands, the company is required to select the lands it is entitled to and to pay the costs of surveying and conveying these lands. There can be but little trouble in making such selection. The plats will be filed in the public offices; they will contain a survey of all the lands within the limits of the grant, and it can not be difficult for the company to go into those offices and select the sections to which it is entitled under the law.

If the company, for any reason, refuses to discharge that duty then the act provides that it shall be the duty of the Secretary of the Interior to notify the company of the amount of land it is entitled to patent under the laws, and of the amount it is required to pay into the Treasury of the United States for the cost of selecting, surveying, and conveying the same, and if the company does not, within sixty days thereafter, pay such sum into the Treasury it shall be the duty of the Attorney-General to institute suit in a circuit court of the United States having jurisdiction of the question to compel the company to pay the Government the amount found due from the company. The suit or suits thus instituted should be brought against the lands of the company to enforce the lien thereon for the costs. The Government has no lien upon the lands except for these costs; so when they are paid the company will own the lands free from any lien of the United States.

The other feature of the remedy proposed by the bill is that, pending any litigation with the company, it is provided that as soon as the lands shall be surveyed by the Government, and the table which I have hereinbefore submitted shows that nearly 22,000,000 acres of the grant have been surveyed, they may be taxed by the States and Territories in which they lie, notwithstanding the patent may not be issued from the Government. By the provisions of the bill the United States Government will surrender for the time being that principle of sovereignty in it which exempts the lands from taxes while it holds the title, and concedes the right to the States and Territories to tax the lands.

The lien of the United States, however, for these costs fixed now by the retention of the titles to the land, shall be and remain a first lien thereon, and the purchaser at any tax-sale of the lands will only get a patent from the United States by paying to it the costs of survey and selection of the particular tracts he buys.

In this way the lands will be taxed by the States, Territories, counties, and municipalities, and the collection of the taxes may be enforced on the land, but the title thereto at such sales will be taken by the purchaser subject to the lien of the United States for these costs and will get no title until he pays the Government these costs, that is, the costs on the tract he buys.

CONCLUSION.

Other measures may be, and probably will be, called up for consideration, but the three I have mentioned are the leading ones. They are of sufficient importance to demand the attention of this House. Congress is voting away large amounts of money out of the Treasury in payment of pensions, and in various other ways. Let us turn our attention to measures which will bring some into the Treasury to meet this heavy drain upon it, particularly when we are compelling gigantic corporations which have plundered and robbed the people for years to make the contribution.

It is time we were moving in all these matters of so much interest to the country. These railroads should be held to a strict account. Their history from their inception shows a long chapter of colossal plundering. One of them, the Union Pacific Company, was built by an organization called the Credit Mobilier, which was but another name for the Pacific Railroad ring, as has been openly charged by a distinguished gentleman who is now the president of one of the companies. He said that according to the facts developed before a committee of Congress its frauds and evasions of the provisions of its charter; its issue of vast amounts of stock, without the payment of any money thereon; its bribery of a Government director to certify to the completion of a section of the road in advance of its completion; its bribery of Congressmen in order to secure the passage of the act of 1864 giving it land and bonds; its tortuous methods for the purpose of concealing its frauds, and by which a great many were successfully concealed, fully justified in the opinion of the committee the abrogation of the charter of the company. He said further that history does not furnish a similar example of bad faith, avarice, and turpitude. There should be no discriminations in favor of railway corporations, but, like all persons in this country, they should be required to respect and obey the law.

I trust that the resolution under consideration will be adopted, that these important measures may all receive prompt consideration by this House, and that before the adjournment of this Congress they may become laws. I will not have time to mention in detail the other measures we will ask to have considered. The magnitude of the questions involved in the measures I have already mentioned and discussed, the urgent necessity for the Government to obtain the relief they will give if passed and become laws, will, I trust, be sufficient apology from me for the time I have consumed in addressing the House.

The Public Revenues are a Public Trust—No Subsidies.

SPEECH

OF

HON. JAMES M. RIGGS,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 20, 1886.

On the Senate amendments to the bill (H. R. 5887) making appropriations for the service of the Post-Office Department for the fiscal year ending June 30, 1887.

Mr. RIGGS said:

Mr. CHAIRMAN: In further discussing the sixth Senate amendment to this bill I may, necessarily, to some extent, repeat portions of what I have said before, but, so far as possible, I desire and intend to avoid repetition.

The first question I want to consider is, whether the amount of money—$800,000—mentioned in the amendment if paid out during the next fiscal year for carrying our foreign mails to the countries enumerated in the amendment will constitute only adequate pay for the service rendered by the steamships, or whether it will in reality constitute a subsidy to the steamship companies.

The total cost of carrying the whole of our foreign mails on the seas in the fiscal year 1885 was $331,903.33. The estimates for this service for the ensuing fiscal year as first made, printed in the Department reports and submitted to Congress, put the sum necessary to be appropriated at $350,000 in the event we should pay steamships of American register the same rates they received in 1885, and $425,000 if we should conclude to pay them full sea and inland postage, which is the highest compensation that can be given under existing law.

The following is the estimate mentioned:

The following amounts are estimated as required to be appropriated for the foreign-mail service for the fiscal year ending June 30, 1887:

"For the transportation of mails, including railway transit across the Isthmus of Panama, calculated at the rate heretofore paid for said service, $350,000."

If it should be decided to pay to vessels of United States register, for the transportation of mails to foreign countries, the whole amount of the postage collected on the mails conveyed (calculated at the Postal Union rates of postage, namely, 5 cents per ½ ounce, or $1.60 per pound, of letters and post-cards, and 1 cent per 2 ounces, or 8 cents per pound, of other articles), the above estimate for "the transportation of mails," &c., would be increased from $350,000 to $425,000."

A revision of the above estimate, made by the Department after the departmental reports had been forwarded to Congress and printed, convinced a majority of the House that $375,000 would be sufficient to pay American steamships the full amount of sea and inland postage, and sea postage to all other vessels carrying our foreign mails. And, therefore, in the bill as reported by the House committee and as it passed this body provision was made for the latter sum. The Senate added the sum of $800,000 by the amendment now under discussion, making a total of $1,175,000.

The amendment, however, provides that this additional sum may be expended only for carrying such of our foreign mails as may go to Brazil; the republics of Mexico, Central, and South America; the Sandwich, West India, and Windward Islands; New Caledonia, New Zealand, and the Australian colonies; China and Japan; and, further, that it shall only be paid for carrying such of our foreign mails to these countries as may be carried in American built and registered steamships.

In order to determine whether or not the expenditure during the next fiscal year of such a sum of money for carrying that portion of our foreign mails to the countries named in the amendment which may go in American-built and registered steamships would or would not amount to a subsidy it is necessary to ascertain as nearly as possible what it would be worth to carry them.

I am in favor of giving fair, adequate pay for all services rendered to our Government. We are amply able to pay a fair price for all we get, and nothing less than that can be right. If, upon business principles, it is really worth $800,000, then we ought to concur in the amendment and provide that sum of money for the purpose contemplated. But if it is not worth that sum, then the payment thereof to the steamship companies would be a subsidy to the extent of the excess over the actual worth of the services.

As already stated, the cost of carrying the whole of our sea-going foreign mails in the fiscal year 1885 was $331,903.33—nearly $43,000 less than the sum provided in the bill as it passed the House, and nearly $843,000 less than will be provided if this Senate amendment shall be adopted. Either we paid a shamefully low price in 1885, or the advocates of this amendment propose to pay more than the services can be worth in the next fiscal year.

It is contended in argument that the fact that nearly all our American steamships refused to carry our mails after the compulsory feature of our statutes was repealed is evidence that the pay was not enough. For, say the advocates of this amendment, the American steamship-owners are, at least, ordinarily shrewd business men, and own and operate their vessels for the purpose of making money, and if the pay was adequate they would not have refused to carry the mails and thereby lost a service which was paying an adequate compensation. The inference drawn is not necessarily correct. By recurring to the history of our postal affairs we find that once before there was an attempt to force the Government into paying more for carrying our foreign mails than the Post-Office authorities or Congress deemed reasonable.

In 1862 Cornelius Vanderbilt, who was a large owner of American steamships, proposed to have more for carrying our foreign mails than the service was worth or not carry them. Supposing he had the power in his own hands, he notified the Post-Office Department that after the 21st of March, 1862, he would not take the South Pacific, or any other of our foreign mails. Thereupon the Postmaster-General asked Congress to provide by law for compelling our own common carriers on the ocean to take our mails, the result of which was the enactment of what have been known in this debate as "the compulsory" provisions of our statutes, the repeal of which took effect on the 1st of April last year. Those provisions of our statutes passed both Houses of Congress without opposition, and remained in force twenty-one years without serious question.

This is evidence to my mind that steamship owners, when they think they have the advantage, may ask more for a service than it is worth, and may even refuse a fairly paid service for the purpose of compelling payment of more than fair compensation.

We have herotofore paid and are now paying sailing vessels and steamships of foreign register the international rates of sea postage, which amount to about 1½ cents per letter and about 4½ cents per pound for newspapers. That is what we paid in 1885 to those vessels, and in most instances the same rates to steamships of American register. Since our American steamships refused to carry our mails last year the Department has been obtaining their carriage at those rates. And the present arrangements for carrying them seem to be satisfactory to our people, excepting the steamship owners and their friends. The cost of having them carried during the ensuing fiscal year, considering the relative quantities carried, will not be greater than it was in 1885. Now, looking at the carriage of our foreign mails only, and as a mere business proposition, if we can have the service performed next year for $375,000 will not the payment of $800,000 more than that be a subsidy to just that extent?

But for the purpose of determining further whether the sum proposed by this amendment will amount to a subsidy, I want to compare the freight rates and parcels-dispatch rates charged by American steamships with what the Government offers to pay them for carrying our foreign mails. The Department has offered them sea and inland postage for letters which amounts to $1.60 a pound, and 8 cents a pound for newspapers. By the bill as it passed the House we made provision for such payment. The Senate proposes to increase the provision more than threefold, giving the whole increase to American steamships plying between the ports of the United States and certain enumerated foreign countries. Let us compare the pay at sea and inland postage, provided for by the House, with freight and parcels-dispatch rates.

During this discussion I have already said:

I remember the gentleman from Michigan on a former occasion said to the House—I came near saying curtly; he said it bluntly at all events—that those of us who chose to compare the money paid for carrying the United States mails with the amount paid for the parcels-dispatch and for freights could have no argument with him; and yet notwithstanding his longer experience, notwithstanding the confidence with which he has made his statement, I am disposed to make a comparison of that very character. I do not intend to weary anybody else, or myself, with a long detail of figures here. It is sufficient for my purpose and for the purpose of this argument to state general results which the official figures will bear out.

You may take the "Red D" line, the United States and Brazil line, or any other line of steamers, take all of the lines, compare the rates paid on each by the Postmaster-General, or which he has offered to pay, and which they refused, with the rates paid for carrying freights, and it will be found that the Postmaster-General offered these American steamships, if they would carry our mails to such countries as they were sailing to (and impose upon them no other conditions than those that were imposed by the conditions of their ordinary traffic)—he offered them a rate that would pay them from forty to nearly one hundred times the amount that they were getting for carrying freight.

He offered them a rate which would pay them an average of four times as much for carrying the mails as they were receiving for carrying an equal weight of parcels at their dispatch rates. Now, is it fair to compare these payments? I think it is if we consider the duties and responsibilities, the labor and the expense attaching to parcel packages and freight and those attaching to the mails.

What duty is imposed on a steamship carrying the United States mails that is not imposed on that steamship in carrying parcels at its dispatch rates? What responsibility is imposed that is not imposed in carrying parcels? What expense is imposed that is not imposed in carrying parcels? The gentleman from Michigan [Mr. BURROWS], alluding I think to the United States and Brazil line, called attention to the fact that the steamship company is bound before its steamship leaves the port of New York to send to the post-office there and get the mails. He alluded to that fact in a way which impressed me as if he spoke of it because he believed that fact entitled that company to 50 cents per nautical mile for carrying the mails. What does it really cost them? Eight dollars and fifty cents; that is the amount as appears from their own statement signed by their own manager. Their round trip is about 10,000 miles, and the mileage at 50 cents per nautical mile would be over $5,000 a trip. Is the outlay in the port of New York in sending for the mails and putting them on board a warrant for such a sum? It is an item, of course. If they pay out $8.50 they should have it repaid, and should be compensated fairly for carrying the mail.

But what duty do they perform in carrying the mails? They send to the post-office and get the mails; they are put up in closed bags; they convey them on

board and lock them up in a small room 8 feet each way. That is the end of the attention the mails have until they reach the port of destination in South America. And then they were bound when they carried our mails to put these mails ashore as speedily as was practicable and deliver them to the postal authorities at the port of destination. That is the attention the mails have.

Now take the expense at one port of destination. At Pernambuco the United States and Brazil Company say they expend $30.80 on one trip in putting the mails ashore. I do not know whether they do or not. I sometimes doubt it, for the reason that other portions of the statement will not bear close inspection and analysis. But suppose they do expend $8.40 at New York and $30.80 at Pernambuco, these payments furnish no warrant for paying 50 cents a nautical mile, amounting to $5,000 a round trip, for carrying the mails.

They ought to get back the money they pay out and a fair amount for carrying the mails. But when they have put the mails on board, receiving them in closed pouches, locked them up in a small room, put them ashore at the port of destination, and delivered them to the postal authorities, then their duties are performed. Now, what is their duty as to parcels carried at their dispatch rates for which they get not one-fourth of what the Postmaster-General offered them, sea and inland postage, for carrying the mails? They receive them I suppose at some office in New York city and convey them to their vessels; they take just as good care of them as they do of the mails. They are sent at higher rates because the senders attach some special value to them; just as in our own country we send parcels by express and pay higher rates than freight rates because some special value attaches to the parcel. They take as good care of them as they do of the mails. At the port of destination they deliver them to some office just as they deliver the mails at the post-office. And so far as duty is concerned and so far as responsibility is concerned, the duties and responsibilities attaching to the carriage of these parcels are as great as those attaching to the carriage of the mails; and greater, because at least in some sense they become insurers of the parcels, while they are not insurers of the mail. Nobody ever heard of an attempt to hold a steamship company or the master or the owner of a vessel responsible for the loss of a mail or any injury to it. Such a thing has never occurred.

With regard to freights, of course most of the freights, except the highest class, are stowed in the hold of the vessel. They do not occupy as valuable space as the mails or the parcels carried; but the Postmaster-General offered to pay this special sum, one hundred times as much as they carry freights for. Is not that enough?

I reiterate these statements, and desire to re-enforce them by figures taken from official sources.

During the latest fiscal year for which we have reports (1885) the Pacific mail line from San Francisco to the Hawaiian Islands, New Caledonia, and the Australian colonies employed three ships, made thirteen round trips, and carried 95,374 pounds of our foreign mails. The sea and inland postage on this amount of mail would have amounted to $41,018.65. Paid for at parcels-dispatch rates it would have yielded $9,536.80; at freight rates, $762.84. The mail pay on a given weight of mail during that fiscal year on this line, at sea and inland postage, would have amounted to nearly sixty times the pay at freight rates, and to more than four times the pay at parcels-express rates. It is proper to state that only one vessel of that line was of American register, and only that one could have received the full sea and inland postage. But the figures given illustrate the point I seek to make. However, let us take one vessel of that line; suppose that one of American register carried an average quantity of our foreign mails, and the figures would be as follows for each trip made by it during the year:

Pounds of mail, per trip	7,336
Sea and inland postage, per trip	$3,155 28
Parcels-express rates, per trip	733 60
Freight rates, per trip	58 68

On the same company's line from San Francisco to Panama for the same year the figures are as follows:

Pounds of mail carried during year	14,000
Pay at sea and inland postage	$3,496 18
Pay at parcels-dispatch rates	1,002 55
Pay at freight rates	71 69

Here is an instance where the mail paid for at the full sea and inland rate would have cost for its carriage $3,496.18, while the carriage of the same weight of freight would have cost only $71.69. Yet we are curtly told we can not have an argument if we seek to make these comparisons. On this line the figures per trip are as follows:

Pounds of mail, per trip	573
Pay at sea and inland postage, per trip	$140 20
Pay at parcels-dispatch rates, per trip	40 12
Pay at freight rates, per trip	2 86

On the line from New York to Colon (same company) the figures are:

Pounds of mail carried during year	110,169
Pay at sea and inland postage	$19,662 49
Pay at parcels-dispatch rates	7,712 10
Pay at freight rates	411 40

On this route the average figures per trip are as follows:

Average pounds of mail, per trip	2,899
Average pay at sea and inland postage, per trip	$517 43
Average pay at parcels-dispatch rates, per trip	202 97
Average pay at freight rates, per trip	10 85

The same company's line from San Francisco to Yokohama, Hong-Kong, and to United States consul at Shanghai:

Pounds of mail carried during year	37,584
Pay at sea and inland postage	$10,125 72
Pay at parcels-dispatch rates	3,758 40
Pay at freight rates	226 08

The figures per trip are as follows:

Average pounds of mail per trip	2,088
Average pay at sea and inland postage	$562 54
Average pay at parcels-dispatch rates	208 80
Average pay at freight rates	12 56

On the New York, Havana, and Mexican Mail Steamship Company's ships, from New York to Cuba, Porto Rico, St. Thomas, and Mexico, the following are the figures:

Pounds of mail carried during year	49,682
Pay at sea and inland postage	$11,932 00
Pay at parcels-dispatch rates	3,229 40
Pay at freight rates	129 00

And the following are the figures per trip:

Average pounds mail per trip	993
Average pay, per trip, at sea and inland postage	$238 64
Average pay, per trip, at parcels-dispatch rates	64 58
Average pay, per trip, at freight rates	2 58

Red D line, New York to Venezuela and Curaçao:

Pounds of mail carried during year	16,723
Pay at sea and inland postage	$3,942 86
Pay at parcels-dispatch rates	1,555 01
Pay at freight rates	58 34

The trip figures are as follows:

Average pounds mail per trip	494
Average pay at sea and inland postage	$115 01
Average pay at parcels-dispatch rates	33 93
Average pay at freight rates	1 74

Steamer San Pablo, of the Occidental and Oriental line, the only one of that line's steamers which is of American register:

Pounds of mail carried during year	7,441
Pay at sea and inland postage	$1,793 88
Pay at parcels-dispatch rates	744 00
Pay at freight rates	44 65

The following figures show the trip results:

Average pounds of mail, per trip	1,488
Average pay at sea and inland postage	$394 77
Average pay at parcels-dispatch rates	148 80
Average pay at freight rates	8 93

New York and Cuba mail line, Cuba, &c.:

Pounds of mail carried during year	29,306
Pay at sea and inland postage	$8,039 33
Pay at parcels-dispatch rates	1,007 77
Pay at freight rates	71 71

The following are the trip figures on this line:

Average pounds of mail, per trip	413
Average pay at sea and inland postage	$113 23
Average pay at parcels-dispatch rates	26 87
Average pay at freight rates	1 01

United States and Brazil Mail Steamship line, from New York to Brazil, &c.:

Pounds of mail carried during year	27,536
Pay at sea and inland postage	$5,791 93
Pay at parcels-dispatch rates	1,789 84
Pay at freight rates	151 45

The following are the trip figures:

Average pounds of mail, per trip	2,118
Average pay at sea and inland postage	$445 53
Average pay at parcels-dispatch rates	137 68
Average pay at freight rates	11 65

Clyde line to Hayti, San Domingo, and Turk's Island:

Pounds of mail carried during year	7,897
Pay at sea and inland postage	$1,462 17
Pay at parcels-dispatch rates	552 64
Pay at freight rates	27 54

The trip figures are as follows:

Average pounds of mail, per trip	464
Average pay at sea and inland postage	$86 01
Average pay at parcels-dispatch rates	32 52
Average pay at freight rates	1 62

American Steamship Company, from Philadelphia to Queenstown:

Pounds of mail carried during year	5,003
Pay at sea and inland postage	$1,636 85
Pay at parcel-dispatch rates	162 45
Pay at freight rates	13 43

The following are the trip figures:

Average pounds of mail, per trip	263
Average pay at sea and inland postage	$86 15
Average pay at parcels-dispatch rates	8 55
Average pay at freight rates	75

These are all the steamship lines, making regular sailings, that were entitled, under the law, to receive full sea and inland postage in the fiscal year 1885, and there are no other lines making regular sailings now that are entitled to that pay. An examination of the foregoing figures, taken from official sources, will disclose that the sea and inland postage will pay for carrying the mails from a little less than forty times to more than a hundred times as much as is charged for carrying the same quantity of freight. And yet it is proposed to expend hundreds of thousands of dollars more than we are expending now, under the pretense of paying for carrying our mails to certain enumerated countries.

Now, I put the question, does justice to these steamship companies demand the payment of more than we have offered and provided for? I think not; and I further think that the payment of the $800,000 provided in the Senate amendment to them will, if made, amount to giving them a gratuity out of the public Treasury.

In this discussion some of the friends of the amendment have compared the pay of the star-route service, railroad service, and steamboat service with the pay of steamships.

Emphasis is placed upon the statement that in 1885 we paid for the star-route service $5,576,218, while for the same year we paid $331,903.33 for our whole foreign mail service, including what was paid to foreign vessels, which was much the larger portion of the outlay. Nothing is said, however, about the fact that the star-route carriers perform a greater amount of service both in quantity of mail and in miles of travel.

Our attention has been called, also, to the fact that in 1885 we paid for our railroad service $13,735,204, and this sum has been compared with what is denominated the insignificant amount paid for carrying our sea mails, but care is exercised not to say anything about the fact that in weight of mails and miles traveled the railroad service is enormously greater than the ocean mail service.

We are also called on to consider the fact that we paid, in the same year, $511,669 for steamboat mail service, and a smaller sum for ocean service, but the different and more burdensome conditions imposed on steamboats are not mentioned.

With reference to the star-route service the fact should not be forgotten that in nearly every instance the person carrying the mails is invited by the Government to put upon the route the means and labor necessary to carry them, and no other kind of carriage is connected therewith, neither can it be, from which the carrier might derive some compensation and thereby cheapen the cost to the Government. It is different with steamships. The Government did not invite their owners to put them on the high seas for the sole purpose of carrying foreign mails, but they put them there for the purpose of carrying freights, passengers, and whatever they could secure for carriage at remunerative rates. Being there, as common carriers, it is not unreasonable to ask that they carry our mails for fair pay.

As to the steamboats which carry inland and coastwise mails a fair comparison would note the fact that they must depart on schedule time and make schedule time on each trip, and that they are liable to fines and deductions if they fail either to depart or arrive on time. They can not wait for freight or passengers, but when schedule time arrives for the departure of the mails they must go, even if wholly without cargo. This is in no sense true of the ocean steamships. They arrange their own schedules and change them at pleasure. On the voyage they make such speed as they choose. They may wait as long as they please for cargo and choose their own rate of travel.

As we are asked to provide for paying these steamships by the mile, regardless of the great or small quantity of mails carried, it will not be unfair to reduce to mileage the pay of the other three branches of the mail-carrying service for the purposes of comparison. The following table, prepared by the Superintendent of Foreign Mails, exhibits the comparison on the mileage basis:

Comparative statement showing the average amount paid per mile during the fiscal year ended June 30, 1885, *for the transportation of United States mails by railway, star routes, steamboats, and coastwise service, American steamship service to foreign ports; and average amount paid to the eight principal American lines of steamships, and the amount that would have been paid if the American steamships had received the sea and inland postage on the mails conveyed.*

Service.	Number of miles traveled.	Total compensation.	Rate per mile.
			Cents.
Railways	151,912,140	$16,627,983 00	10.95
Star routes	83,027,321	5,414,804 00	6.52
Steamboats and coastwise service	3,540,607	563,002 00	15.9
American steamships to foreign ports—outward—sea postage	1,024,126	46,223 69	4.5
If paid sea and inland postage			11.9
American steamships, eight principal lines—outward—sea postage	810,829	43,492 48	5.3
If paid sea and inland postage			14.4

From which it appears that the railways received in 1885 nearly 11 cents per mile; star-route carriers received an average of a little over 6½ cents per mile; the steamboat and coastwise service nearly 16 cents per mile, while the steamships, at the rate provided for them by the House, would have received nearly 12 cents per mile. This applies only to the eight principal American lines, there being no other pretending to make anything like regular sailings.

So, if we pay them sea and inland postage, which is proposed by the opponents of the Senate amendment, they will receive more per mile than the railroads, notwithstanding the fact that railroad transportation is universally more costly than water transportation. They will receive nearly twice as much per mile as is paid to the star-route carriers, and about two-thirds as much per mile as steamboats doing inland and coastwise carriage, and being compelled to sail and arrive on schedule time, cargo or no cargo.

The mails carried on the star routes and inland and coastwise steamboats are not weighed, so we can not compare them with the steamships by the pay per pound, but railway and ocean mails are weighed, and the comparison on the basis of pay per pound may be made between the railroads and the steamships. The following table represents the cost per pound on nine of our railroad routes, and also across the continent, from New York city to San Francisco:

Cost per pound for transportation of mail matter on nine railroad routes.

Route.	Termini.	Distance.	Pay per annum.	Average daily weight.	Cost per pound one way.
		Miles.		*Pounds.*	
6011	New York to Buffalo	442	$681,223 26	99,901	$0.0217
7004	New York to Philadelphia	90.89	181,771 81	136,401	.00425
8001	Philadelphia to Pittsburgh	352.9	484,795 71	91,679	.0168
21002	Pittsburgh to Chicago	468	195,431 51	23,003	.0271
21095	Buffalo to Chicago	540.20	610,943 70	69,142	.0282
23007	Chicago to Burlington, Iowa	206	193,071 60	54,621	.0112
27005	Burlington to Union Pacific transfer.	291	179,268 00	37,031	.0154
34001	Union Pacific transfer to Ogden.	1,034.08	447,438 15	23,990	.0595
46001	San Francisco to Ogden	834.03	319,642 86	18,754	.0544

Cost per pound from New York to San Francisco, via Buffalo $0.1904
Cost per pound from New York to San Francisco, via Pittsburgh 0.1886

And the following statement, showing average price per pound for conveyance of foreign mails, except the transatlantic, at sea and inland postage (5 cents per half ounce of letters and 1 cent per 2 ounces of prints), during the fiscal year ended June 30, 1885, exhibits the pay to steamships carrying mails to the countries named in the Senate amendment:

	Cents.
West Indian, Mexican, Central and South American service	17.7
Brazil service	19.7
Trans-Pacific service	22.8

These tables were prepared, the first at the railway mail office, the second at the foreign mail office, and may be relied on as correct. I do not propose now to comment on all the items they contain. They speak for themselves, but not in favor of higher ocean mail pay.

On railroad route 34001, a distance of 1,034 miles, the pay per pound in 1885 was within a small fraction of 6 cents. This route is more than one-third the length of the average distance traveled by the steamships carrying our foreign mails to the West Indian, Mexican, Central and South American countries, but it receives only a very small fraction over one-third the pay per pound.

The cost per pound across the continent by rail, about 3,000 miles, is, in round figures, 19 cents. The pay for the Brazilian service, at sea and inland postage, by steamship, amounts to a little over 19 cents per pound. These are interesting facts when we remember that a railroad built and equipped to carry a certain weight costs incomparably more than steamships built and equipped to carry the same weight the same distance. In one instance, the road-bed must be provided and maintained at enormous cost. In the other instance, Providence has furnished and maintains the road-bed. In short, water transportation is cheaper, the world over, than railway transportation.

None of these comparisons indicate that more than sea and inland postage is due to steamships for carrying our foreign mails. On the contrary all of them show that a greater rate of pay would be more than adequate. Our experience in the past shows that we can have all our foreign mail service by sea performed during the ensuing fiscal year for the sum of $375,000 and pay all our American steamships full sea and inland postage.

The President in his annual message to Congress says this is adequate pay. This is his language:

The rate of sea and inland postage, which was proffered under another statute, clearly appears to be a fair compensation for the desired service, being three times the price necessary to secure transportation by other vessels upon any route, and much beyond the charges made to private persons for services not less burdensome.

And the Postmaster-General is also clearly of the same opinion. In his annual report he says:

The general conclusion seems sustained by the facts that, except special circumstances should require a greater, the rate of sea postage is remunerative for the service of carrying the mails.

The statute authorizes the entire sea and inland postage to be paid to American steamships, although but sea postage may be allowed to foreign vessels—a proof of the legislative judgment that the latter rate is sufficiently remunerative to command the service, as the fact is.

This statute appeared to afford power to make abundant compensation for all the service necessary until the next session of Congress.

The accompanying tables, prepared in the foreign-mails office, show that this would have yielded to the following American companies, on the basis of last year's business, respectively:

To the Pacific Mail Steamship Company, on its New York and Colon line, $19,275.82, as against $7,501.78 at sea postage, and $7,679.49 at its parcels-dispatch rates, and $411.40 at its freight rates, for nearly 55 tons of total mail; an average of $507.26 per trip for 2,899 pounds of matter, which it would have carried for $10.82 at freight rates and $202.09 at parcels-dispatch rates.

On its San Francisco and Panama line, $3,496.18 for about 7 tons, against $1,238.44 at sea postage, $71.69 at freight, and $1,002.55 at parcels-dispatch rates.

On its San Francisco and Yokohama line, $10,125.80 for less than 19 tons, against $3,506.64 at sea postage, $226.34 at freight rates, and $3,758.40 at parcels-dispatch rates.

On its Australian line, $41,018.65 for about 48 tons, against $13,565.29 at the special rates paid heretofore, $762.93 at freight rates, and $9,537.40 at parcels-dispatch rates; an average per trip of $3,155.28 for 7,336 pounds, nearly fifty-four times its freight rates, over four times its parcels-dispatch prices, and a better average price per trip than the average paid across the Atlantic by $2,505.92.

To the Venezuelan Red D line, $3,942.86 for about 8 tons of mail, against $1,392.95 at sea postage, $58.34 at its freight rates, and $1,155.01 at its parcels-dispatch rates.

To the New York and Cuba line, $5,203.48 for about 12 tons, against $2,271.94 at sea postage, $61.63 at freight rates, and $1,548.17 at its parcels-dispatch rates.

To the New York, Havana and Mexican line, $11,932.11 for about 25 tons, against $4,134.13 at sea postage, $129.17 at freight rates, and $3,229.33 at parcels-dispatch rates.

These facts seem to prove that the total sea and inland postage is an abundant recompense for the proposed service; and, without further recapitulation, reference to the tables will show the amounts to the other lines a proportionate compensation. If this be correct judgment no more could be rightfully expended of the appropriation unless other objects were to be sought than the care of the postal service.

For years the law has limited the Post-Office Department to not exceeding sea and inland postage to American steamships, showing the legislative judgment for a long period of time to have been that such pay is adequate in all cases. The facts and figures show it to be adequate. The President says it is adequate. The Postmaster-General, who has given the matter much thoughtful consideration, says it is adequate. For many years we have had, and are now having, our foreign mails carried in an expeditious and satisfactory manner for less than sea and inland postage.

Then why provide $800,000 more and limit its expenditure to our steamships sailing to the countries named in the amendment? Mr. Chairman, only about 8 per cent. of our foreign mails in 1885 went to those countries. Over 91 per cent. of it was transatlantic and went to countries not named therein. The proportions will be about the same next year. We will secure the carriage of the 91 per cent. to transatlantic countries for about $300,000—probably for a little less than that sum. Then is it necessary to provide $800,000 to pay for the carriage of only a little over 8 per cent.? All the facts, fully examined and candidly considered, show that sea and inland postage would furnish fair and adequate pay to American steamships for carrying our foreign mails, and for that the bill provides, without the $800,000 sought to be appropriated by the Senate amendment.

This being true, and it seems to me there is no answer to the facts I have mentioned, what shall we call the proposition contained in the Senate amendment? It is simply a proposition to pay subsidies to our steamship companies under pretense of paying compensation for carrying mails. It appears to me there is no escape from this conclusion. The more candid friends of the amendment frankly say it is a proposition to pay subsidies. Having determined that the amendment is merely a provision for paying subsidies, the next question I want to consider is whether it is right and desirable to adopt such a policy?

I do not think it is ever right to take money from the public Treasury and pay it to a private individual for nothing. To do so is to violate one of the fundamental principles of our law. If the Government, through its law-making power, may take $800,000 of the people's money and give it to the millionaires who own American steamships as a mere gratuity, then it may take ten times that sum, or any other amount, and thus the means of the many who contribute to the Treasury may all be taken and given to the few. It is not a correct principle to pay gratuities. The Government should pay fairly for what it gets; it should give nothing as a subsidy.

Those *friends of the* amendment who are frank enough to admit that it is a subsidy scheme justify it and insist the policy is desirable on the ground that it will build up our languishing carrying trade and enlarge our commerce, especially with the South American countries. Will it do this? I insist it will not to any degree that will justify us in entering on such a policy—a policy which when once adopted will be difficult to abandon, because when those possessing great wealth once intrench themselves in the national Treasury they usually find the means of maintaining their vantage-ground, at least until the wrong becomes so palpable and enormous that public sentiment absolutely revolts and drives them out.

But how can the payment of subsidies secure to us the sale to South American countries of our products, especially our manufactured products? How can such a policy enable our manufacturers to compete in South America with those of Europe?

The gentlemen who support this amendment are the same gentlemen who support the protective policy. They tell us that protection by means of a high tariff, often amounting to a prohibition on imports, is absolutely essential to the welfare of this country, and it has usually been assigned as a reason that we can not compete in our home markets with the manufactures of Great Britain, Germany, and other European countries.

How many times has it been asserted on this floor that a reduction of our tariff taxes will close our factories, because they can not compete with the cheaply-made goods of our transatlantic neighbors? The protection theory grew out of and is based on the fact that other people can manufacture most of the articles we manufacture cheaper than we can. Now, if our manufacturers can not sell their products at home, at their own shop-doors, in competition with other nations who must pay the expense of transporting their goods across the ocean, how can it be expected that our same manufacturers will transport the same manufactured products 3,000 miles to Venezuela, or 5,000 miles to Brazil, and there compete with the products of other countries?

To take money from the people's Treasury and put it into the coffers of the American steamship-owners will not reduce the cost of making cutlery in Connecticut, or cotton goods in Massachusetts, or earthenware in New Jersey. To pay subsidies to the steamships can not by possibility render the cost of manufacturing cheaper in this country. And whether we do or do not secure a trade with the Central and South American countries depends on whether we can furnish them what they want at as cheap or cheaper rates than others.

When we can furnish them as cheap as others we may expect to secure a fair portion of their custom; when we can supply them cheaper than others we may expect, if we choose, to monopolize their custom. It is a question of price. And upon this point I want to quote from the testimony given before the commission we recently sent to Central and South America. Mr. W. G. Boulton, one of the owners of the Red D line of steamships engaged in the trade to Venezuela, whose firm has had an experience of forty years, speaking of the South American trade, said:

The question of foreign trade is one of price, and if in this country they can not obtain manufactured articles at the same prices that they can obtain them in Europe, very naturally this country will not obtain the trade.

And again, in speaking of the Europeans and the fact that we must compete with them if we get South American trade, he says:

You have got to compete with these people, you have got to put the prices down to compete with the Manchester prices for the dry goods, or you can not get the trade.

This gentleman is one of those to be benefited by the payment of the proposed subsidy, and his firm has taken a deep interest in the success of the proposed amendment. His testimony on this point is really against his personal interest, and therefore is deserving of more consideration.

Not a great while ago our State Department sent instructions to some of our consuls and consular agents in Europe asking them to furnish information relative to the shipping interests of France, Germany, Great Britain, and Italy, with a view of profiting by the experience of those nations. The consular officers made reports, and Worthington C. Ford, chief of the bureau of statistics in the State Department, prepared a report upon the matter based on the reports of those officers. His report and the reports of the consular officers have been transmitted to this House, and may be found in Executive Document 172. The present Secretary of State, who has long served his country with distinction, accompanied that document with a letter of transmission, which is as follows:

I have the honor to transmit herewith the replies of consular officers of the United States in France, Germany, Great Britain, and Italy to a circular prepared in this Department relative to the shipping interests of these nations.

This subject has of late assumed great importance through the efforts of certain of the leading commercial nations of Europe to stimulate by direct and indirect aid their mercantile marine, and thus to give it an energy which was considered unattainable without such aid. France, Germany, and Italy are paying bounties in various forms, with a view to stimulating the construction of vessels, to encouraging their navigation, and to placing their shipping in a more favorable position for securing a larger share in the carrying trade of the world than they would under natural conditions and with free competition obtain.

Had this policy been confined to a single nation, that nation might have derived some benefit; though the conclusions reached in Mr. Ford's report would seem to show that in France, where liberal bounties for the construction and navigation of vessels have been paid since 1881, the results have in no respect fulfilled the expectations of those who favored the policy. But when other nations enter the list and meet privilege with privilege and bounty with bounty, no advantage is gained, and the conditions of competition are changed. That nation which bids highest, which grants bounties and subsidies most liberally, holds the position of vantage, but only until other nations are willing to pay the same. Whatever advantages France has secured in the last four years will, in a measure, be neutralized by the bounty policy of Germany and Italy. This policy may lead to the construction of a certain amount of new tonnage, but it is an open question whether there is a legitimate demand for this additional tonnage.

The indications are at present that there is a carrying capacity in excess of the world's needs; and if this is a fact every ton constructed beyond what is required to repair loss and waste is only so much the more added to the dead weight of surplus tonnage, which, to be profitable, must depend upon the bounty of Government, and this bounty is nothing more than a tax imposed upon productive industry for the benefit of an unnecessary and therefore unprofitable industry. The returns upon such a costly policy as the bounty system of France are small, and are due entirely to artificial conditions. Judging by the experience of the past these conditions must be continued to insure a maintenance to the shipping they have stimulated into existence.

To a nation possessed of large commercial interests, the bounties of other nations may give an advantage in the form of cheaper rates of freight—the result of increased competition. It may well be doubted whether it will be politic to sacrifice this advantage and impose an additional burden upon productive industry by the adoption of a system of bounties.

Respectfully submitted.

T. F. BAYARD.

DEPARTMENT OF STATE, *April* 9, 1886.

From which it appears his judgment is against the payment of subsidies. That judgment, considering his long experience in public af-

fairs and his distinguished ability, ought to have weight, at any rate on this side of the House.

Being the head of the State Department, and one of the official advisers of the President, it is not improper to conclude the Chief Executive is also against the policy. At least the President is opposed to paying subsidies to steamships, through the Post-Office Department, under the pretense of paying for carrying the mails.

The Post-Office appropriation bill for the current fiscal year has a provision in it, placed there by a Senate amendment, concurred in by the House at the last moment to prevent an extra session, under which the Postmaster-General was authorized to pay American steamships $400,000 for carrying mails, which the President regarded as a subsidy and to which he was opposed. In his message to Congress he alluded to the failure of the Postmaster-General to expend that sum of money, and among other things said:

Whatever may be thought of the policy of subsidizing any line of public conveyance or travel, I am satisfied that it should not be done under cover of an expenditure incident to the administration of a Department, nor should there be any uncertainty as to the recipients of the subsidy, or any discretion left to an executive officer as to its distribution. If such gifts of the public money are to be made for the purpose of aiding any enterprise, in the supposed interest of the public, I can not but think that the amount to be paid, and the beneficiary, might better be determined by Congress than in any other way.

He calls that provision to pay $400,000 "a subsidy," "a gift," and opposes such a policy, especially when carried out through the Post-Office Department under the pretense of paying for carrying the foreign mails.

That the Postmaster-General was opposed to such a policy is sufficiently established by the fact that, exercising the discretion vested in him by the law, he refused to expend the $400,000 placed at his disposal. The whole Executive Department of the Government is evidently opposed to such a scheme. And we have here the spectacle of a Republican Senate attempting to force on a Democratic administration a policy to which it is thoroughly opposed. The question is, will this Democratic House permit such a thing?

And now I want to return to the consular reports and to the report of Mr. Ford.

Mr. Sutton, our consular agent at the port of St. Nazaire, in France, where subsidies have been paid both to ship-builders and ship-owners for some years, says in his report:

The general opinion on the bounty question is that it has failed to produce the effect of serving the shipping trade, and has only resulted in creating a few large steamship companies, who have monopolized the whole of the carrying trade to the exclusion of sailing vessels.

Here we are officially informed that in France, where subsidies have been paid, the policy is a failure. The example of that country has been cited and often commended to us by the friends of the subsidy policy on this floor. I commend to them the above official information as to the results of that policy in France, where it has been in operation for several years.

I also commend to them the official statement of Mr. Roosevelt, our consul at Bordeaux. He says:

At the present time the shipping interests of the direction can be best described by the evidence unanimously given by the owners of ship-yards; they say "it is deplorable." The results of the ship-building for two years past have been literally *nil*. Out of a half-dozen or more yards only one remains that can be said to be on its legs.

Shipping matters proper, that is, the navigation of vessels, does not present a much brighter prospect. The companies declare that their dividends at times are trifling, often merely nominal. Now, whether this condition exists for the reason that a similar state of things exists in nearly all of the principal nations, such undoubtedly being the reports, can not and need not be determined here. At all events, it is true, and that in spite of the existence of a considerable aid advanced directly by the General Government, both to ship-building and private or public lines of vessels.

And also the following official statements of Consul Dufais, of Havre:

Of the ocean-going steamships belonging to this port thirty-eight are now laid up for want of profitable business. Twelve sailing vessels belonging to Marseilles, fifteen under the Italian flag and twelve of Austrian nationality, are likewise tied up in this port awaiting the return of more prosperous times.

* * * * * *

So, then, for the last two years there has been very little ship-building in France, and at the present time there is almost nothing doing. The four large boats building for the Transatlantic Company, above-mentioned, and costing about 8,000,000 of francs, or over $1,500,000, apiece, had to be constructed on account of their contract with the government to carry the mails with the requisite speed, not because they were wanted in the trade.

In regard to the dividends, it can only be said that the lines of ships which were called into existence by reason of this bounty law are paying nothing; most of them are in a state of bankruptcy, in liquidation, or going into liquidation. Those lines that have been subsidized by government, though being lines which had already an established business and doing the regular trade, are paying either no dividends or only small ones.

Here it appears that in France where liberal subsidies are paid many ships are lying idle in their harbors, and ship-owning is unprofitable. Will it be wise for us to follow the example of that nation and by giving away the public revenues in large sums stimulate the building of ships simply to have them tied up in harbor or run without profit?

The French law inaugurating the bounty or subsidy policy, which has been so often and so earnestly commended to our consideration in the course of this discussion, went into effect in 1881. Prior to that subsidies were not paid. The subsidy policy of Germany, whose example has also been cited on the other side of the House, has not yet gone into effect, and heretofore no subsidies have been paid by that government.

Bearing these facts in mind, the following from the report of Mr. Ford relative to the shipping interests of Germany, France, and Italy is interesting and significant:

The number and tonnage of steam vessels were as follows:

Year.	France.		Germany.		Italy.	
	No.	*Tons.*	*No.*	*Tons.*	*No.*	*Tons.*
1873	516	185,165	253	167,633	133	48,573
1874	522	194,556	299	189,998	138	52,370
1875	537	205,420	319	183,569	141	57,147
1876	546	218,549	318	180,946	142	57,881
1877	565	230,804	336	183,379	151	58,319
1878	588	245,808	351	179,662	152	63,020
1879	599	255,959	374	196,343	151	72,666
1880	652	277,759	414	215,758	158	77,050
1881	735	311,779	458	251,648	176	93,698
1882	832	416,228	515	311,204	192	104,719
1883	895	467,488	603	374,699	201	107,452
1884	938	511,072	650	413,943	215	122,297

This table is very instructive as showing the continued increase of steam shipping throughout the entire period, bounty or no bounty. In only a single year in Italy was there a set-back, in 1879, when the number of ships was decreased by one, while the tonnage was increased by more than 9,600 tons; and in Germany, for a series of years, the tonnage decreased or fluctuated, to recover, however, and advance in later years. It also raises the question wherein was the need of subsidies for French shipping. In the period of 1873-'80 the number of steam vessels increased in France 136, or 26.3 per cent.; in Germany, 161, or 63.6 per cent.; and in Italy, 25, or 18.8 per cent. The advantage thus appears to lie with Germany. The tonnage shows a different result. In France it increased 92,594 tons, or 50 per cent.; in Germany, 48,125 tons, or 28.7 per cent.; and in Italy, 28,477 tons, or 58.6 per cent. While Italy shows the highest relative increase, it can not be compared with that of France. So that in the eight years prior to 1880 the French shipping was increased much faster in its most valuable branch, steam vessels, than either of its continental competitors.

The years 1880-'83 show still more remarkable results. The number of steam vessels in France increased 243, or 37.3 per cent.; in Germany, 189, or 45.6 per cent.; and in Italy, 43, or 27.2 per cent. The tonnage increased during the same period, in France, 189,729 tons, or 68.7 per cent.; in Germany, 158,941 tons, or 73.6 per cent.; and in Italy, 30,402 tons, or 39.4 per cent. The increase in Germany, where no bounties were paid, was relatively greater both in number and tonnage of vessels than in France, where large bounties were in force after 1881.

And so it appears that during the period France has been paying liberal bounties the shipping interests of Germany have been more prosperous, although no bounties were paid thereto. No doubt the growth of those interests in Germany were natural and demanded by the trade, while in France an artificial activity in those interests, produced by the stimulus of subsidies, induced the construction or purchase of more vessels than were needed for her commerce, and resulted in ships lying idle or running without profit.

It appears, too, that the carrying trade of France increased more rapidly before 1880, when their subsidy law was enacted, than it did afterward. Mr. Ford makes a comparison between Germany and France during the period from 1873 to 1883, and says:

The tendency has been the same in either case, and the showing is largely in favor of France, but not since the bounty system was inaugurated. The French carrying trade increased more rapidly before 1880 than after 1880, even allowing for the longer interval; and the German, while falling away in the previous years, more than regained what it had lost and increased at a higher rate than did the French.

After collating the facts and figures furnished by the consular officers and carefully reviewing the whole matter, Mr. Ford concludes his report as follows:

The bounties have succeeded in infusing life into neither ship-building nor ship navigation. France finds it cheaper to have her iron vessels built in Great Britain and a large share of her wooden ships in other countries. The lines of ships that were called into being through the liberal offers of the government are represented as being in a state of bankruptcy, and existing lines that participate in the bounties are either paying no dividends or very small amounts. The exports of France, reflecting as they did the slight reaction which ensued in 1879, have since declined and are still declining in value, and the decrease can not be explained by a fall in the prices of commodities, but rather by an absolute decrease in the foreign commerce of the nation. In fact, it may be asserted that the bounty policy of France, intended to bridge over a temporary depression, has aggravated the situation, and has proved itself to be a source of mischief and not of cure.

Now, in the light of all this, will a Democratic House concur in the amendment and thereby inaugurate a policy which has not been availing abroad, and to which the Democratic administration is opposed? Until it be accomplished I will not believe that this House will do snch a preposterous thing.

But, Mr. Chairman, some of the advocates of the subsidy policy have contended that if the amendment be adopted the whole matter will be left in the discretion of a Democratic Postmaster-General so far as making contracts and expending the money are concerned; that he may make contracts with the steamships and expend the money, or he may not, at his discretion. Nobody ought to be deceived by this contention. If the amendment be concurred in by the House, the Postmaster-General will have little or no discretion in the matter, and it was not intended he should have any.

It has, in my judgment, been written carefully, with the design of depriving him of his discretion.

As already mentioned, the Post-Office appropriation bill for the current year contained a provision, inserted by the Senate, and reluctantly concurred in by the House during the very last hours of the Forty-eighth Congress, under which the Postmaster-General was authorized

to pay American steamships $400,000 for carrying our foreign mails this year. The provision is as follows:

Office of Superintendent of Foreign Mails: For transportation of foreign mails, including transit across the Isthmus of Panama, $800,000; and the Postmaster-General is hereby authorized to enter into contracts for the transportation of any part of said foreign mails, after legal advertisement, with the lowest responsible bidder, at a rate not exceeding 50 cents a nautical mile on the trip each way actually traveled between the terminal points: *Provided*, That the mails so contracted shall be carried on American steamships, and that the aggregate of such contracts shall not exceed one-half of the sum hereby appropriated.

That provision was clearly directory and vested the Postmaster-General with a discretion. He exercised his discretion, no doubt honestly, and declined to pay out the money. And for doing so the steamship men, through marine and shipping journals and through a partisan press, have earnestly and persistently denounced him. He has been severely criticised and satirized on the floor of this House for exercising his best judgment, according to law. The language of the provision, it seems to me, could not be fairly construed otherwise than as merely directory. But if any doubt existed when looking at the words alone, none could remain after looking into the debates which occurred in the Senate and House when that provision was under consideration.

In the Senate on the 23d of February, 1885, Mr. PLUMB said:

I am willing to say to the Postmaster-General, and one not of my political faith, "I will give you discretion for this year," because this amendment of the Senator from Maine only applies to this year. * * * I am willing to say to the incoming Democratic Postmaster-General or to any Postmaster-General, * * * "you shall during these twelve months exercise a reasonable discretion as to what is proper for the service to be rendered."

And in the same body, on the same day, Mr. SAULSBURY said:

In reference to the merits of this proposition of amendment, the Senator from Maine simply proposes to vest in the Postmaster-General discretion to enter into contracts to pay the owners of American ships for carrying foreign mails such amount as he may deem proper.

In the House, on the 3d of March, 1885, Mr. TOWNSHEND, who had the bill in charge, said:

But, sir, we are met by the argument by gentlemen that as we have put the domestic mail service upon the basis of compensation for service rendered, and have intrusted to the Postmaster-General the discretionary power of making such contracts as he may in his judgment deem necessary for the interest of the public, that we could also, with equal safety, intrust to him the power to make contracts for mail service to foreign countries. * * * Why, if you allow the Postmaster-General to exercise discretion in making contracts for the coastwise and inland steamboat service, should there be any great apprehension of abuse of power in allowing him to exercise equal discretion in making contracts for carrying mails to foreign countries?

By these gentlemen the discussion was directed, in part, to the propriety of vesting the Postmaster-General with the discretion of making such contracts as were provided in the clause which I have quoted, there being no question, apparently, in the mind of any one as to the point that the power to be conferred was merely a discretionary one.

In the House on the 10th of February, 1885, Mr. DINGLEY, speaking of the same provision, said:

It is to be observed that there is nothing in the measure proposed which requires the Postmaster-General to pay a single dollar to an American line of steamers. He may invite proposals for carrying the mails by American steamers to any country that he regards it proper to do so, and when he has received bids for this service he may reject any and all proposals which in his judgment it is not for the public interest to accept. If he can not obtain a proposal satisfactory to him he may send our mails by foreign competing steamers or by way of England. The absolute discretion vested in him in the foreign as in the domestic mail service, limited, however, in the case of the foreign service to the maximum sum of 50 cents per mile and the aggregate of $600,000, would make the Postmaster-General master of the situation in the case of the adoption of the measure proposed.

And on the 3d of March, in the House, Mr. Horr, who led the discussion in favor of the proposition, expressly declared that it conferred discretionary power on the head of the Department. In the course of his remarks the following colloquy occurred:

Mr. HORR. This bill simply says that the incoming Democratic Postmaster General may make such contracts with American vessels for carrying our foreign mails as he may now make with our coastwise vessels for carrying the mails on the coast.

Mr. BINGHAM. For one year only?

Mr. HORR. For one year only.

Mr. MORSE. Will the gentleman let me ask him a question?

Mr. HORR. Certainly.

Mr. MORSE. Does this apply to any particular line in this country?

Mr. HORR. Certainly not.

Mr. MORSE. Then it is entirely optional with the Postmaster-General to use the appropriation or not as he may see proper.

Mr. HORR. Every dollar of it is left subject to his judgment. If he does not think that the service demands that a contract should be made with any vessel or any route he need not make it.

And, instead of my friend from Indiana arraigning Democrats here for voting on this thing, I say to you, when you vote against this proposition you vote a lack of confidence in your own Postmaster-General, which does not come with good grace from you.

All this leaves no shadow of doubt that, under the provision I have quoted from the bill for the current year, discretion was vested in the Postmaster-General to pay the money to the steamship-owners or refuse to pay it, as he deemed best. Congress appropriated $800,000 for the foreign-mail service, providing that not more than one-half of it should be paid to American steamships, and said to the Postmaster-General: "Take this money and pay it over to the steamships if in your judgment you think it wise and best; if you think otherwise do otherwise." He exercised the discretion vested in him, consulting the interests of the foreign postal service and of the whole people, instead of the private interests of the American steamship-owners; and, as I have already said, has been roundly abused for doing it, both in the partisan newspapers and on this floor. On the 27th of March this year the gentleman from Michigan [Mr. BURROWS] speaking of this matter said:

It is known to the country and conceded by all that this provision of the law remains unexecuted, and the will of Congress in this regard is entirely nullified. The law seems plain. There is nothing in it obscure or mysterious; but the Postmaster-General in this instance, in order to nullify the law, goes outside of its plain provisions to find reasons for making it a dead letter. Read the law and it seems easy of comprehension. What does it require? First, a contract with American steamships for carrying any portion of the foreign mails; second, after legal advertisement; third, to the lowest responsible bidder; fourth, at a rate not exceeding 50 cents a nautical mile each way actually traveled; and, fifth, $400,000 is hereby appropriated to carry out contracts so made. Is there anything obscure in this statute? Certainly nothing. And yet no portion of this law has been executed. Nay, more, the Postmaster-General has never taken a step in the direction of its execution.

* * * * * * *

But suppose Congress should determine, as it did at its last session, to pay more for carrying the mails than for carrying hides. Is the Postmaster-General in that event to be heard to say, "I will not execute this law, because in my judgment it is paying too much." The question is two preposterous for debate. It seems to me that matter is no part of the business of the Postmaster-General; it is none of his concern. Congress determines the rate of compensation to be paid for this service; and when it determined to let this service to the lowest responsible bidder at a rate not exceeding 50 cents per nautical mile, it was the business of the Postmaster-General to at least make an effort to execute that law, instead of refusing to take any steps toward its execution, and then offering to Congress so trifling an apology.

How true it is sometimes that man—

> Drest in a little brief authority,
> * * * * *
> Plays such fantastic tricks before high heaven
> As make the angels weep.

Mr. Chairman, I have not called attention to this matter for the purpose of making a defense of the Postmaster-General. In his annual report he has presented the subject fully, and has in an unanswerable manner shown that the discretion vested in him was properly and wisely exercised—exercised in the interests of economy and therefore in the interests of the people.

In doing this he had the approval of the President. The latter officer so states in his annual message in the following unequivocal words:

It was decided, with my approbation, after a sufficient examination, to be inexpedient for the Post-Office Department to contract for carrying our foreign mails under the additional authority given by the last Congress.

But I called attention to this branch of the subject for the purpose of putting a question and if possible finding a correct answer to it. The owners of American steamships tested the discretion of the Postmaster-General under the provision for the present year, and have abused him all over the country and in this House because he did not ignore the right and exercise that discretion solely in their private interests. Are those same men anxious to test his discretion again? Having once done so and found him opposed to paying the people's revenue to a few steamship owners as a gratuity, why should they desire to repeat the experiment? Merely for amusement?

It is not amusement they are seeking. They are after the contents of the Treasury, and will be satisfied with nothing less than a goodly portion thereof. Mr. A. Foster Higgins, of New York, one of the leading advocates of the subsidy schemes of the steamship owners, and who has recently been before a committee of this House and made an argument in favor of the same, at a recent meeting held in Boston for the consideration of our shipping interests, in a speech, says:

We want subsidies, and there should be no quibbling over it.

Other speakers at the same meeting expressed the same sentiments. It is evident they are not merely seeking an opportunity to repeat the experiment of testing the Postmaster-General's discretion again on the subsidy question. That is not what they want. They want cash, and a liberal supply of it. The gentleman from Michigan [Mr. BURROWS], in a question he puts in the quotation I have already made from one of his speeches, sounds the keynote of their song:

But suppose Congress should determine, as it did at its last session, to pay more for carrying the mails than for carrying hides. Is the Postmaster-General in that event to be heard to say, "I will not execute this law, because, in my judgment, it is paying too much."

It is plain what answer the gentleman and the American steamship owners would give to his question had they the full power to furnish the answer. Very quickly and unmistakably they would say, "No, he shall not again have the discretion in this matter which was vested in him under the bill for the current year." And in the adroitly drawn Senate amendment, now under discussion, that answer has been embodied. The amendment is so framed as to deprive the Postmaster-General of all choice and vest the whole discretion in the steamship owners. They do not understand that any discretion will be left to him if this amendment becomes law; and I fully agree with them on that point. The first clause of the amendment reads as follows:

For the transportation of foreign mails by American built and registered steamships, to secure the greater frequency and regularity in dispatch, and a greater speed in the carriage of such mails to Brazil; the Republics of Mexico, Central and South America; the Sandwich, West India, and Windward Islands; New Caledonia, New Zealand, and the Australian colonies; China and Japan, $800,000; and the Postmaster-General is authorized to make, after due advertisement for proposals, such contract or contracts with the owners of such American steamships for a term of not less than three years nor more than five years, and at a rate of compensation not exceeding 50 cents a nautical mile on the trip each

way actually traveled between the terminal points, in the most direct and feasible sailing course between the terminal points, as shall be found expedient and desirable to secure the ends above set forth.

This clause, I grant, is directory only, and if left standing alone would vest the Postmaster-General with the same discretion which he had under the provision in the bill for the current year, except that he would be confined, in the event he chose to expend the money, to American steamships running from our country to those countries specifically named. But the author of the amendment did not propose to leave it in that condition, and added the following clause:

And if he shall be unable to make such contracts for any of such respective services, he shall, so far as possible, cause the mails of the United States to be carried to and from said places, respectively, in the best and most expeditious manner practicable, in American vessels, and for a reasonable compensation, not exceeding the rate aforementioned.

This deprives the Postmaster-General of all discretion. That, in my judgment, will be the effect if it becomes the law. And I have no doubt that was the intention of those who originated it.

Under the first clause he is "authorized" to advertise, receive bids, and make contracts. That is directory, vesting the executive officer with a discretionary power. But the latter clause says to him if you can not make contracts under the previous clause, then you "shall" cause the mails to be carried in American vessels, so far as possible, for compensation not exceeding the rate aforementioned. Now, who has discretion under this clause?

The steamship companies, by concert of action, may refuse to bid when the Department advertises for proposals under the first clause, and then the second clause says to the head of the Department, You "shall" cause these mails to be carried on American vessels if possible to be done for not exceeding 50 cents a nautical mile each way for every trip. This latter clause is mandatory, and if no bids should be made when advertised for under the first clause then the Postmaster-General would be bound to apply to the steamship companies under the latter clause and employ them to carry the mails at their own price, not exceeding 50 cents a nautical mile. Is there any escape from this conclusion? It seems to me there is none. I believe the construction I have placed upon the amendment is the correct one and the result inevitable.

Will it be wise for us to place the Post-Office Department in the power of the steamship companies? If it be suggested that there is no danger of any combination among the owners of American steamships it is a sufficient answer to call attention to the fact that every day combinations are being made, "poolings" effected among the great corporations and monopolies which do our carrying trade. They combine, "pool their issues," as against the people generally, and why will they not do so as against the Government if so good and profitable opportunity occurs as would be afforded by enacting this amendment into law.

Why, one of these very steamship companies, the most powerful one, which would receive about one-half of the sum provided by this amendment if it were paid out at 50 cents a mile, has a pooling arrangement now with the Union Pacific Railroad Company, made for the purpose of keeping up the rates of freight and passenger tariffs, and under which the railway company pays the steamship company a round sum each year not to do certain classes of carrying trade. The railway company calls it a subsidy, and is expecting trouble with the Government on account of the arrangement.

The directors of the company in their last annual report, speaking of the subject, say:

The attention of the Government directors of the company has also repeatedly been drawn to this arrangement, and it was, and is, understood by them and approved as a business necessity. It is an arrangement in no way unusual between lines of water and land transportation. At a reasonable, sustained rate of fares and freight both passengers and merchandise would invariably take the land route. Nevertheless, it was in the power of the water route at any time to so demoralize the business by competitive rates as to make it valueless to all concerned in it. Under these circumstances one of two courses only was possible. The parties concerned in the traffic could either enter upon an endless competitive warfare, ruinous to themselves and destructive to the business interests of the country—such as during the past season has taken place between the West Shore Railroad Company and the New York Central and Hudson River Railroad Company, or such as the transcontinental routes themselves have more recently been involved in—or they could meet and agree upon a division of traffic. If such a contest as that suggested were entered upon it would practically result in the destruction and consequent withdrawal from the traffic of one of the parties to it or in an amicable division. That either party to the traffic would be compelled to withdraw from it wholly was improbable.

The railroad companies certainly could not cease to operate their roads. They might operate them at a loss, or at best without profit—taking the through business at rates which would be out of the question for local business, thus causing the worst form of discrimination to exist—or they could withdraw entirely from through business, allowing it to go by water. But it was to do the transcontinental business that the Pacific roads were built, and it was not possible for them to submit to be driven out of it by a rival water line. On the other hand, that the steamship company would withdraw from the business was most improbable, as their through traffic was but an incident to their local traffic—the profits derived from which last would not in their case be affected by a discriminating rate on through traffic sufficiently low to demoralize all transcontinental rates. Under these circumstances, after incurring large losses through competition, the several companies interested—that is, the Union Pacific Railroad Company, the Central Pacific Railroad Company, and the Pacific Mail Steamship Company—met together in 1877, and through their representatives agreed upon a plan of adjustment. A certain portion of the business, roughly calculated at about 10 per cent. of the whole, was allowed to the steamship company. The proportion was satisfactory to it. The value of this tenth part of the business thus set off to the steamship company was then estimated in money, and called a "subsidy." It was nothing more than the usual well-understood division of competitive traffic, the amount allotted to one party being commuted into cash payments.

The railway company has "subsidized" this steamship company, and now the Government is asked to do likewise to the extent of hundreds of thousands annually. If we do so we will have an interesting spectacle. In the first instance the Government subsidized the railway company by giving it millions of acres of the public domain. It is asked to subsidize the Pacific Mail Steamship Company by paying it large annual sums of money to enable it to transport the people's merchandise cheaply, as is alleged; and if the Government does so, then the subsidized railway company will subsidize the subsidized steamship company in consideration that the latter will not carry the peoples' merchandise at all and leave the railway without competition. No doubt that kind of a complex subsidy would be eminently satisfactory and advantageous to the millionaires who own the stock of the steamship company, but it would be nothing less than a gross outrage on the people of this country. Is it unfair to suppose that those who will enter into such a combination as above shown will, if the Senate amendment prevails, combine and force the Postmaster-General to pay their own price, not exceeding 50 cents a mile, for carrying the mails?

In my judgment, just so sure as the amendment becomes law that will be the result.

There is a little item of Congressional history which indicates the length to which this steamship company will go when seeking to appropriate the contents of the Federal Treasury. A few years ago an attempt was made to secure the passage of a steamship-subsidy law, and it having afterward leaked out that this same company had probably employed improper means in prosecuting the scheme here, an investigation was ordered by the House of the Forty-fourth Congress. Hon. John A. Kasson made the report of the results of the investigation, from which I quote the following:

The results of the evidence are, that about $900,000 was disbursed upon the allegation that it was used in aid of the passage of the act now under investigation; that about $565,000 appears to have been paid to the exclusive use of persons having no official connection with such legislation; and that the disposition of the remaining $335,000 remains in doubt upon the evidence presented, but without any testimony showing that it was a reward paid to any person at that time a member of either House of Congress; and that the uncertainty attending the disposition of this latter sum is owing to the refusal of William S. King to testify the truth, and to the failure or refusal of John G. Schumaker to present all the facts to which the committee believe it was in his power to give.

* * * * * * *

The enormous evil attending the existence of an unregulated lobby with license to appear before committees and urge measures upon members upon fraudulent pretense that they are acting for the public interests when they are privately retained by interested parties, calls for further legislation. The committee deem it necessary for the protection of Congress against future transactions as discreditable as those they have now brought under review, that a law should be passed requiring every person appearing and advocating measures for a private interest to appear in his true capacity as a retained attorney or agent.

Nine hundred thousand dollars paid by this company in one attempt to get into the public Treasury! Are such people peculiarly the proper objects of munificent governmental bounty? It is idle to tell me that those who will expend money thus in an attempt to secure legislation enabling them to appropriate the public revenues will not combine, if given the power, and compel the Postmaster-General to submit to their will. That is what they hope to accomplish by this amendment. I am opposed to it. I am opposed to all subsidy schemes. The public revenues are a public trust. They should be carefully guarded and expended only for the good of the public. They are raised largely by taxing the necessaries of life. They should not be given away. I do not believe a Democratic House, pledged to economy and reform, will concur in this amendment, and thereby stultify itself and wrong the people.

Physical Effects of Alcohol and Narcotics.

SPEECH

OF

HON. JACOB H. GALLINGER,

OF NEW HAMPSHIRE,

IN THE HOUSE OF REPRESENTATIVES,

Monday, May 17, 1886.

On the bill (S. 1405) to provide for the study of the nature of alcoholic drinks and narcotics and of their effects upon the human system, in connection with the several divisions of the subject of physiology and hygiene, by the pupils in the public schools of the Territories and of the District of Columbia, and in the Military and Naval Academies and Indian and colored schools in the Territories of the United States.

Mr. GALLINGER said:

Mr. SPEAKER: The welfare of our nation is inseparably connected with the intelligence of the people, and the chief dangers to our Government are in consequence of illiteracy and its concomitant vices. The future progress of the Republic largely depends upon the proper edu-

cation of the children of the present generation. But it will not do to simply educate the intellectual faculties. The heart and the conscience need careful watching. An individual may graduate at the head of his class in Greek and Latin and mathematics and yet be wholly ignorant of the grand truths of physiology and hygiene. The brilliancy of his intellect may even seem to obscure his ideas of right and wrong, and while shining as an orator or a teacher he may ignorantly or blindly pursue paths or indulge habits that inevitably will compass his ruin. Almost every page of history is marked with examples of this kind, while our own observation emphasizes the truthfulness of the assertion. Intemperance has clouded many of the grandest minds this country has produced, and sent thousands of the noblest intellects to premature if not dishonored graves. It is a record of sorrow and sadness that no tongue can adequately portray, and a picture so dark and gloomy that no words can properly paint it.

The bill before the House is one that proposes to provide for the study of the nature and effects upon the human system of alcoholic drinks and narcotics in the public schools of the Territories and the District of Columbia, and in the Military and Naval Academies, and Indian and colored schools in the Territories of the United States. It is substantially the same measure that has already been incorporated into law by seventeen States and one Territory of the United States, including the great States of New York, Pennsylvania, Massachusetts, Alabama, Michigan, and Kansas. Among the first to adopt the measure was my own State, and the results thus far are entirely satisfactory, as is evidenced by the numerously signed petitions that have come from the most influential classes of her citizens, praying for the enactment of this law by Congress. It proposes to teach the youth the facts as to alcohol and narcotics, and then if they sin it will be the result of willfulness or weakness rather than ignorance. What more salutary law could Congress possibly enact, and why should there be any opposition to it on this floor? It is for the benefit of our children, for their future happiness and prosperity. It is designed to lessen the deadly record of seventy-five thousand victims annually that alcohol now claims. It is legislation in the direction of good government, of pure homes, of better lives, and of less pauperism and crime. Surely no one will say that these results are not of the highest possible importance to the country.

The physical evils of intemperance alone is a theme of the greatest magnitude. At every step the victim is found. Seventy-five thousand times each year the ranks of the people of this country are invaded by this enemy, and a life terminated. What a record is this! And yet the strange infatuation of drink keeps up the list of victims to the maximum point. Time will not allow me to call the endless array of facts and figures which condemn and brand alcohol as man's worst enemy, and I will content myself with a few citations.

In all epidemics it has been found that intemperance strongly predisposes to disease. Of 1,615 cases received into cholera hospitals in the epidemic of 1832, 1,023 were decidedly intemperate, a proportion of nearly two-thirds; of the remainder, 482 were intemperate; and of 110 cases it was not known whether they were intemperate or not; it is probable that a portion were. Both in the epidemic of 1832 and in that of 1849, the cholera in New York first appeared and was more fatal in the locality known as the "Five Points"—a locality where filth, intemperance, and degradation go hand in hand.

Last summer, during the intense heat, a dispatch from New York to the Boston papers contained an item headed "A Terrible Record," which read as follows:

> The fatal cases by sunstroke or prostration by the heat since last Wednesday, when the weather first became so intensely hot, so far as reported to the authorities up to last night, number one hundred and forty-five. Of these probably two-thirds or four-fifths were men or women either drunkards or habitual drinkers of strong liquors or beer.

During an epidemic of cholera in the city of Albany, when only one in twenty-five hundred of teetotalers was seized by the disease, one in sixty of the general population perished.

A German authority (the Volksfreund) states that out of nine hundred persons who died at Rotterdam from cholera, only three were abstainers. In Newcastle, England, the cholera struck down one drinker in fifty-six, but only one of six hundred and twenty-five abstainers from alcoholic beverages.

In 1853, Dr. Cartwright, of New Orleans, wrote thus to the Boston Medical and Surgical Journal:

> The yellow fever came down like a storm upon this devoted city, with eleven hundred and twenty-seven dram-shops in one of the four parts into which it has been divided. It is not the citizen proper, but the foreigners, with mistaken notions about the climate and country, who are the chief supporters of these haunts of intemperance. About five thousand of them died before the epidemic touched a single citizen or sober man, so far as I can get at the facts.

Tables prepared by Dr. Edward Jarvis, from the record of investigations of Mr. Nelson, actuary of the Medical, Invalid, and General Life Insurance Company of London, are as follows:

Among beer drinkers, 4.597 per cent. annually died; among spirit drinkers, 5.995 per cent. annually died; among mixed drinkers, 6.194 per cent annually died; while of the general population, which included both temperate and intemperate, less than 2½ per cent. died yearly.

Assuming that ten persons of the general population die between the following periods of life, the death of the intemperate during the same period is as follows: Between 15 and 20 years, 18 intemperate to 10 general population; between 20 and 30 years, 51 to 10; between 30 and 40 years, 42 to 10; between 40 and 50 years, 41 to 10; between 50 and 60 years, 29 to 10.

A temperate person's chance of living is at 20, 44.2 years—if intemperate, 15.6 years; at 30, 36.5 years—if intemperate, 13.8 years; at 40, 28.8 years—if intemperate, 11.6 years; at 50, 21.25 years—if intemperate, 10.8 years; at 60, 14.28—if intemperate, 8.9 years.

These startling facts, gleaned from reliable sources, tell the whole story of the debilitating effects of alcohol, and disprove every claim that has ever been made that it gives tone and strength to the body.

Let us inquire a little further what scientific observers say about this agent.

In the year 1876, in the city of Philadelphia, a world's congress of physicians was held, in which body were many of the most eminent medical men of both Europe and America.

Among other things the question of the effects of alcohol upon the human system was considered, and this congress of scientific men solemnly declared that alcohol is a poison; that its place is upon the shelf of the apothecary or in the office of the physician, and that even as a medicine it should be used with great caution and by experienced hands.

The celebrated Dr. Carpenter, the highest English authority on human physiology, indorses a certificate, signed by more than two thousand of the physicians of England, including the court physicians and metropolitan surgeons, who may fairly be said to represent the voice of the medical faculty of the British Empire, one paragraph of which is this:

> We, the undersigned, are of the opinion that a very large proportion of human misery, including poverty, disease, and crime, is induced by the use of alcoholic or fermented liquors as beverages.

And following the example of their English brethren, one hundred and twenty-five of the physicians of New York city and Brooklyn made declaration as follows:

1. In view of the alarming prevalence and ill effects of intemperance, with which none are so familiar as members of the medical profession, and which have called forth from eminent English physicians the voice of warning to the people of Great Britain concerning the use of alcoholic beverages, we, the undersigned, members of the medical profession of New York and vicinity, unite in the declaration that we believe alcohol should be classed with other powerful drugs; that when prescribed medicinally it should be with conscientious caution and a sense of grave responsibility.

2. We are of opinion that the use of alcoholic liquor as a beverage is productive of a large amount of physical disease: that it entails diseased appetites upon offspring; and that it is the cause of a large percentage of the crime and pauperism of our cities and country.

3. We would welcome any judicious and effective legislation—State and national—which should seek to confine the traffic in alcohol to the legitimate purposes of medical and other sciences, art, and mechanism.

There is no higher medical authority in the world upon this subject than Dr. Willard Parker, of New York, who says:

> What is alcohol? The answer is, a poison. It is so regarded by the best writers and teachers on toxicology. Like arsenic, corrosive sublimate, and prussic acid, when introduced into the system it is capable of destroying life without acting mechanically, and it induces a general disease as well marked as fever, small-pox, or lead poison.

And again he says:

> Alcohol is the one evil genius, and is killing the race of men. Stay the ravages of this one poison, alcohol, that king of poisons, the mightiest weapon of the devil, and the millennium will soon dawn.

Professor Youmans, of New York, the distinguished chemist, says:

> It is evident that, so far from being the conservator of health, alcohol is an active and powerful cause of disease, interfering with the respiration, the circulation, and the nutrition.

Dr. Richardson, one of the most eminent living English physicians, says:

> This chemical substance, alcohol, an artificial product, devised by man for his purposes, is neither a food nor a drink suitable to his natural demands. Its influence is an infinitesimal advantage by the side of an infinity of evil for which there is no compensation and no human cure.

And, again, after making a long series of scientific researches, to determine the true nature of alcohol, this same distinguished physician gives this testimony:

> I find it to be an agent that gives no strength, that reduces the tone of the blood-vessels and heart, that reduces the nervous power, that builds up no tissues, and can be of no use to me or any other animal as a substance for food. On that side of the question my mind is made up, that this agent, in the most moderate quantity, is perfectly useless for any of the conditions of life to which men are subjected, except under the most exceptional conditions, which none but close observers can declare.

Similar declarations from scientific men could be multiplied almost *ad infinitum*, but further testimony is unnecessary. It matters not what men try to make themselves believe on this question of alcoholic drinks, science strips from it the flimsy covering of pretense and prejudice, and stamps alcohol as a substance detrimental to health and dangerous to

human life, emphatically declaring that every man who uses intoxicants habitually as a beverage inevitably undergoes a process of slow poisoning. The intent is not suicidal, but the result is the same. Alcohol ought to be shunned by all; and when our children learn thoroughly the grand truths of physiological science it will soon be consigned to the laboratory and the pharmacy, where it legitimately and properly belongs.

This bill is in the direction of securing that result. It is urged by the Woman's Christian Temperance Union, that non-partisan temperance organization that has already done so much for the interests of all classes of our citizens by directing State and national attention to the evils of intemperance. It is good and healthy legislation. If passed it will make happier homes, better citizens, and healthier men and women. I trust it may pass, as it did in the Senate, by a unanimous vote.

Oleomargarine.

SPEECH

OF

HON. J. RANDOLPH TUCKER,

OF VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 3, 1886,

On the bill (H. R. 8328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine.

Mr. TUCKER said:

Mr. CHAIRMAN: It is not my purpose to repeat what I said a few days ago on this bill; but as some criticism has been made upon the constitutional views then presented it seems proper to support them by authority.

It seems that some gentlemen supposed they were ancient and worn out, and had been condemned by the conflict of arms and more modern and approved methods for interpreting the Constitution. In fact they were regarded as a part of the creed of the State-rights school of thinkers, which had been buried in the grave of the dead confederacy.

Let me assure gentlemen that this is not so. I have long ago, and in the most public manner, declared that I concur, as a lawyer, in the sententious formulation of the relations of the Union to the States composing it, by Chief-Justice Chase, in Texas *vs.* White, 7 Wallace, 701:

The Constitution in all its provisions looks to an indissoluble Union composed of indestructible States. (Page 725.)

But the Chief-Justice declared in the same case, that "the separate and independent autonomy to the States," not only was not lost "through their Union under the Constitution," but "that the preservation of the States and the maintenance of their governments are as much within the design and care of the Constitution as the preservation of the Union and the maintenance of the National Government."

In Lane County *vs.* Oregon (7 Wall., 76), the same court by Chief-Justice Chase maintained "the independent authority of the States;" and he added with clear emphasis, that "to them nearly the whole charge of interior regulation is committed or left; to them and to the people all powers not expressly delegated to the National Government are reserved."

In Collector *vs.* Day (11 Wall., 113), the same court decided that the power of Congress to lay and collect taxes could not be exercised by laying a tax on the salary of a State judge; that this Government could not touch his salary, because it would abridge the absolute right of a State to use all means in its discretion for its own government without any interference with them by Congress.

In the Slaughter-house cases (16 Wall., 36), Mr. Justice Miller, after speaking of the danger of disunion having given occasion for the late amendments of the Constitution, says:

But however pervading this sentiment, and however it may have contributed to the adoption of the amendments we have been considering, we do not see in those amendments any purpose to destroy the main features of the general system. Under the pressure of all the excited feeling growing out of the war, our statesmen have still believed that the existence of the States with powers for domestic and local government, including the regulation of civil rights, the rights of persons and property, was essential to the perfect working of our complex form of government, though they have thought proper to impose additional limitations on the States and to confer additional power on that of the nation.

But whatever fluctuations may be seen in the history of public opinion on this subject * * * this court * * * has always held with a steady and even hand the balance between State and Federal power," &c.

And in Bradwell *vs.* State (16 Wall., 130), the power of the State to prescribe its own conditions for attorneys practicing in its courts was established.

In United States *vs.* Cruikshanks (92 United States Reports, 542), decided in 1875, Chief-Justice Waite, speaking for the whole court, said:

The Government of the United States is one of delegated powers alone. Its authority is limited and defined by the Constitution. All powers not granted to it by that instrument are reserved to the States or the people. No rights can be acquired under the Constitution or laws of the United States except such as the Government of the United States has the authority to grant or secure. All that can not be so granted or secured are left under the protection of the States.

These clear judicial statements are all that I insist on in the views I take of this bill. I claim no more of right and power for the States than find sanction in the language of the Supreme Court since the war and in their discussion of the new amendments.

The police power of the States extends to all those regulations of the interior affairs and business of the people of the State, and which relate "to the protection of the lives, health, and property of the citizens, and to the preservation of good order and the public morals." I quote the language of the court, per Justice Bradley, in Beer Company *vs.* Massachusetts, decided in 1877 (97 United States Reports, 25), and I quote his further words as to the power of the Legislature to divest itself of this duty:

The Legislature can not by any contract divest itself of the power to provide for these objects. They belong emphatically to that class of objects which demand the application of the maxim *salus populi suprema est lex;* and they are to be obtained and provided for by such appropriate means as the legislative discretion may devise. That discretion can no more be bargained away than the power itself. (Boyd *vs.* Abraham, 94 U. S., 45.)

In the license-tax cases (5 Wallace, 462) the court had said:

But very different considerations apply to the internal commerce or domestic trade of the States. Over this commerce and trade Congress has no power of regulation nor any direct control. This power belongs exclusively to the States. No interference by Congress with the business of citizens transacted within a State is warranted by the Constitution, except such as is strictly incidental to the exercise of powers clearly granted to the Legislature. The power to authorize a business within a State is plainly repugnant to the exclusive power of the State over the same subject. It is true that the power of Congress to tax is a very extensive power. It is given in the Constitution with only one exception and only two qualifications. Congress can not tax exports, and it must impose direct taxes by the rule of apportionment and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject, and may be exercised at discretion. But it reaches only existing subjects. Congress can not authorize a trade or business within a State in order to tax it.—Pages 470-1.

In the last sentence is language very pertinent to the question before the House: "Congress can not authorize a trade or business within a State in order to tax it." The court having decided that a trade licensed by Congress in order to tax it may be forbidden by the State, we may well ask: Can Congress prohibit such trade or business when the State allows it? And if not, as is clear, can it tax in order to forbid what the State allows, when it can not license what the State forbids?

The case of Bartemyer *vs.* Iowa (18 Wallace, 129), is to the same effect.

The reserved power of a State to tax even the instruments and vehicles of interstate and foreign commerce has been distinctly recognized by the Supreme Court in the late case of Wiggins Ferry *vs.* East Saint Louis (107 United States Reports, 365), referring to many prior cases which furnish precedents for the judgment.

But the great and leading case of Gibbons *vs.* Ogden (9 Wheat., 1) is especially cited and relied on, and the language of Chief-Justice Marshall is substantially quoted by the court. But I quote the whole passage. Chief-Justice Marshall is speaking of the unquestioned power of the States to pass inspection laws, and maintains that this is reserved to the State under the police power, and is not a regulation of commerce by the State. He says (9 Wheat., 203):

But the inspection laws are said to be regulations of commerce, and are certainly recognized in the Constitution as being passed in the exercise of a power remaining with the States.

That inspection laws may have a remote and considerable influence on commerce will not be denied; but that a power to regulate commerce is the source from which the right to pass them is derived can not be admitted. The object of inspection laws is to improve the quality of articles produced by the labor of a country; to fit them for exportation or, it may be, for domestic use.

They act upon the subject before it becomes an article of foreign commerce, or of commerce among the States, and prepare it for that purpose. They form a portion of that immense mass of legislation which embraces everything within the territory of a State, not surrendered to the General Government, and which can be most advantageously exercised by the States themselves. Inspection laws, quarantine laws, health laws of every description, as well as laws for regulating the internal commerce of a State and those which respect turnpike roads, ferries, &c., are component parts of this mass. No direct general power over these objects is granted to Congress, and, consequently, they remain subject to State legislation. (Pages 202, 203.)

This "immense mass of legislation" of which Chief-Justice Marshall spoke in 1824, and which is quoted by the Supreme Court in 1882, belongs to the States as "not surrendered to the General Government." This is all I claim for them; not as one of the straightest sect of our political creed, but as conceded by every Chief-Justice, including Marshall, Taney, Chase, and Waite, and the courts over which they presided.

But I take higher ground.

The question at issue has been expressly decided.

In United States *vs.* Dewitt (9 Wallace, 41) this case was presented. The internal-revenue law of 1867 made it a misdemeanor to mix for sale or to sell certain oils, because explosive. The defendant in error was prosecuted under it. The case was certified to the Supreme Court.

Chief-Justice Chase said:

The questions certified resolve themselves into this: Has Congress power under the Constitution to prohibit trade within the limits of a State?

He then says:

Standing by itself, it is plainly a regulation of police.

He then adds—

As a police regulation, relating exclusively to the internal trade of the States, it can only have effect where the legislative authority of Congress excludes, territorially, all State legislation, as, for example, in the District of Columbia, within State limits, it can have no Constitutional operation. This has been so frequently declared by this court, results so obviously from the terms of the Constitution, and has been so fully explained and supported on former occasions that we think it unnecessary to enter again upon the discussion. (Page 45.)

This case definitely decides that Congress can not forbid any trade or business or punish any act done in conducting it within a State. Can it forbid the manufacture or sale of oleomargarine or punish such act? I do not ask can it be done upon strict construction methods, but would not the Supreme Court declare such legislation void and unconstitutional, as it did in regard to explosive oils?

In 1878 the case of Patterson *vs.* Kentucky, 97 U. S. Rep., 501, was decided.

A patentee of an invention under the act of Congress was selling his illuminating oils in Kentucky against the law of that State. He was prosecuted, tried, and convicted in the State court. He brought his writ of error to the Supreme Court, claiming that the State had no power to punish him for using what under an act of Congress he had obtained letters patent for.

Mr. Justice Harlan, speaking for the whole court, affirmed the judgment. His opinion is full, and he cites the cases to which I have already referred, and others.

After saying that the letters patent do give the patentee the right to make and sell his invention, he says:

But obviously this right is not granted or secured without reference to the general powers which the several States of the Union unquestionably possess over their purely domestic affairs, whether of internal commerce or of police. "In the American constitutional system," says Mr. Cooley, "the power to establish the ordinary regulations of police has been left with the individual States, and can not be assumed by the National Government." (Cooley Const. Lim., 574.) While it is confessedly difficult to mark the precise boundaries of that power or to indicate by any general rule the exact limitations which the States must observe in its exercise, the existence of such a power in the States has been uniformly recognized in this court. (Gibbons *vs.* Ogden, 9 Wheaton, 1, and other cases.)

It is embraced in what Mr. Chief-Justice Marshall (in Gibbons *vs.* Ogden) calls that immense mass of legislation "which can be most advantageously exercised by the States, and over which the national authorities can not assume supervision or control. * * * By the settled doctrines in this court the police power extends at least to the protection of the lives, the health, and the property of the community against the injuries exercised by any citizen of his own rights. State legislation, strictly and legitimately for police purposes, does not in the sense of the Constitution necessarily intrench upon any authority which has been confided, expressly or by implication, to the National Government. The Kentucky statute under examination manifestly belongs to that class of legislation. It is in the best sense a mere police regulation, deemed essential for the protection of the lives and property of citizens. * * * Whether the policy thus pursued by the statute is wise or unwise, it is not the province of the national authorities to determine. That belongs to each State under its own sense of duty, and in view of the provisions of its own constitution, its action, in those respects, is beyond the corrective power of this court. That the statute of 1874 is a police regulation within the meaning of the authorities, is clear from our decision (in United States *vs.* Dewitt, 9 Wall., 41)."

* * * * * * *

The court in a subsequent part of the opinion shows how even in cases under the commerce of the country, foreign and interstate, the State may even destroy an imported bale of goods if infected, citing Gilman *vs.* Philadelphia (3 Wallace, 713), and may prevent paupers and others likely to be chargeable from coming into the State and cattle with diseases contagious, &c., citing Raiload *vs.* Husen (95 U. S. R., 465).

Mr. Justice Harlan then says:

This court "has nevertheless, with marked distinctness and uniformity, recognized the necessity, growing out of the fundamental conditions of civil society, of upholding State police regulations which were enacted in good faith, and had appropriate and direct connection with that protection to life, health, and property which each State owes to her citizens."

The language of Mr. Justice Strong, in R. R. Co. *vs.* Husen, 95 U. S. Rep., 465, fully sustains the views of Mr. Justice Harlan.

Here then are two cases as to explosive oils. The court decides in one that Congress can not, and in the other that the State can, forbid making and selling such oils, because such power is among the immense mass of police regulations reserved to the States and never surrendered to Congress.

On this ground I stand. I take and hold it under the sanction of the Supreme Court in decisions from the time of my birth unto this day. Who shall drive me from it by the taunt that it is obsolete, and that as a relic of the State rights of the ante-bellum era it has been condemned and must be rejected? Originating with Marshall, it stands as the accepted interpretation of the Constitution by the present court, of whose members but one is known to be of that political party to which I belong, and not one of that Southern sect of political thinkers whose presence seems to excite the suspicion and dread of certain gentlemen in this House.

It is settled by the cases I have cited that the lives, health, business, and interior affairs of each State belong to that immense mass of legislation, under the name of police regulations, reserved to the States, and which the Supreme Court declares can not be touched by the power of Congress, by any direct law aimed at them. Congress can not forbid or punish the manufacture or sale of explosive oils. The States may do so; Congress can not. If not, the same principle applies to oleomargarine. No one can deny this proposition.

But it is said Congress can lay and collect a tax upon it. I do not deny it.

But for what purpose was this power delegated to Congress? Under the articles of confederation Congress could not tax anything. It had revenues derived from the States, which could alone tax the people. It had express power with its revenue to provide for the common defense and general welfare. (Articles of confederation, article 8.) But it could lay no tax.

The Constitution of 1789 gave Congress a revenue derived from its own taxation, and not dependent on the States. The tax power was confided to it to give it an independent source of revenue. It is a trust power, conferred for a trust purpose—a trust power conferred to tax for the trust purpose of obtaining revenue to carry on the Government and to execute the functions for which it was created.

Now, the proposition I maintain is this: As Congress has no power given to it to regulate or control the police affairs of a State; as it has no power to suppress or punish the manufacture or sale of oleomargarine; as in fact this power is unquestionably reserved to each State, can Congress, unable to assail this reserved power directly, use the tax power confided to it for revenue purposes to suppress and punish the making and sale of oleomargarine when it needs no revenue, or lay the tax so high that it will bring no revenue but only suppress the product?

Can Congress rightfully use a power given for one purpose, which the Constitution allows, in order to accomplish a purpose which the Constitution forbids? Can it destroy by indirect means what it dare not touch by direct power? Is not such an act a fraud on the power, in legal phrase? Is it a constitutional use of a delegated power? Is it not as gross a violation of the Constitution to exercise a power for a purpose forbidden by the Constitution, as to usurp a power never delegated? The latter is bold defiance of the fundamental law; the former is an insidious, insincere, and fraudulent evasion of constitutional duty to achieve a forbidden object. It attains a prohibited end under a false pretense.

Upon this point I cite the authority of Mr. Cooley, who says (Principles of Constitutional Law, page 57):

Constitutionally a tax can have no other basis than the raising of revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is not to raise a revenue but to discourage and indirectly prohibit some particular import for the benefit of some home manufacture may well be questioned as being merely colorable, and therefore not warranted by constitutional principles.

But it is said, as Congress can constitutionally lay the tax, can the courts declare the law void? I doubt if it can do so, for the court can not look into the heart of the legislator and discover his purpose. If it could do so, I believe it would decide the law unconstitutional and void.

But the legislator may, by introspection, discern his own purpose. And if he may evade the judicial scruting by this ingenious device, he can not avoid the judgment of his own conscience, to which he is amenable, and under whose condemnation he must rest.

The question then comes up, do we need the revenue from the tax imposed by this bill? If we do not, can the conclusion be avoided that the tax is laid to destroy and punish the making and sale of oleomargarine and not to raise revenue?

If I could *bona fide* vote for this tax in order to raise needed revenue I would feel justified in doing so under constitutional sanction. But if my purpose is to strike down this business, and seeing I can not do so without an invasion of a clearly reserved right of the States I should use the tax to destroy the product and not to make it bring revenue, I should feel I had violated the Constitution by a disingenuous method which could not delude others nor successfully quiet my conscientious reproaches.

We do not need the revenue. The following table will show it, approximately, for the next year:

Revenue from customs duties		$190,000,000
Revenue from internal-revenue taxes		115,000,000
Revenue from miscellaneous sources		30,000,000
Total revenue for next year		335,000,000
Against this we have—		
Ordinary expenditures	$160,000,000	
Interest on public debt	45,000,000	
Pensions	80,000,000	
		285,000,000
Leaving for sinking fund, &c		50,000,000

The only effect of more revenue is to tempt us to prodigality in expenditure and to an increase of our power as additional outlets for profuse extravagance.

But it was said by some one, if we tax oleomargarine we can repeal the tobacco tax. And yet when that proposition was made the friends of this bill voted down the repeal.

Again, it is said that the tax power is used for other purposes than revenue, upon the authority of Judge Story and other learned writers.

This is a misconception of their meaning. I concede that Congress,

as all other political bodies having the tax power, may among the infinite variety of taxable subjects discriminate as to those which a wise public policy indicates as best fitted to bear the burdens. Between luxuries and necessaries, between articles owned or consumed by all and those owned or consumed by a few, between useful and useless, healthful and hurtful objects, we may discriminate, when we need revenue, and come to lay a tax to raise it. But no author of legal merit has ever said that when we do not need revenue at all we have the right to tax a man merely to reform his life or to suppress his business. The power to tax sleeps until the need for revenue awakes it to action; and when it acts, it may wisely discriminate, as already shown.

The case of Veazie Bank *vs.* Fenno (8 Wallace) is cited in the committee's report and was called to my attention the other day by the question of the gentleman from Michigan [Mr. BURROWS].

It has nothing to do with this case. In that case the court said that Congress had power and was in duty bound to provide a uniform currency for the people; and that in order to do so it could prohibit the circulation of the notes of State banks; and if it could prohibit entirely it could in part, and, if so, as it could legally tax such notes under the tax power, it could lay the tax so as to raise revenue and partially suppress the notes. In that case, therefore, Congress had power to suppress wholly, independently of its power to tax. The greater power includes the less, and therefore with the greater power to suppress entirely, Congress could use its tax power to suppress in part.

How different is this case. Congress not only has no power to suppress oleomargarine entirely, but is forbidden to touch it at all. If it aims to suppress entirely, it really must lay so high a tax as to defeat revenue; and thus accomplish fully the object the Constitution prohibits it from attempting. But I have larger objections to the policy of this measure:

First. It aids one of two competitors in the business of the country by destroying the other. Such a power is not only unwarranted by the Federal Constitution, but is of doubtful validity under any free system of government. If the Legislature may aid A by destroying B; may put up one man, class, or industry and put down another, such a government is despotic and will become a tyranny, and the people can not be free.

Second. It increases the range of the inquisitorial and domiciliary authority of the internal-revenue machinery. The objection to the system is not so much to the subjects of its taxation as to the methods by which it is watched and guarded and collected. Instead of decreasing this system the advocates of this bill increase it and refuse to take tobacco and fruit brandy from its grasp. Friends of dairy farmers tax the rival of the dairy product but burden the product of the plantation and of the orchard with taxes collected under the espionage of spies and informers and armed bands of the Department.

Third. But a greater objection to this system is to be made:

It is liable to great inequality in the distribution of the burdens of taxation. I hope I may explain this briefly.

The Constitution has two forms of internal taxation. It seemed to provide that direct taxes (which is one form of this internal system) should be proportioned to the ability to pay. These were apportioned between the States according to population, and it was supposed that wealth would be proportioned to population. This has sadly turned out to be a mistake. Thus Rhode Island under the direct tax would pay one-fifth of what Virginia would pay, and yet Rhode Island has nearly as much assessed values as Virginia, I think.

The other form, however, is or may be made much more unequal. The power to tax any article of property, or any business, gives Congress the power to lay all its taxation on any one section or State. Congress may tax sugar from the cane and exempt that from the beet. It might select cotton, or rice, or tobacco (it has done this, and tobacco in twenty years has paid over $600,000,000 of taxes), or corn, or wheat, or hemp, or special fabrics of the loom, &c.

In other words, when the eager competition of producers in different sections or in any community see that Congress may be induced to take sides, as in this case, this precedent will be the beginning of what will have no end in the perpetuity of this invidious and partial legislation, with the pernicious machinery of the Internal Revenue Department, whose most efficient agents are espionage and an official inquisition into all the privacies of domestic life and personal enterprise.

The internal taxes, which are unequal, take a new start to-day, and are fastening themselves forever on the policy of the Government.

Fourth. But there is one other evil result, which does more than any thing I have seen in my public service to overthrow the equilibrium of the Constitution and destroy all fences between the Federal authority and the reserved powers of the States.

I have shown that this bill invades by indirection a reserved authority of the States. The State permits under its unquestioned reserved power the making and sale of oleomargarine, cane sugar, tobacco, and the like. Congress claims power by this bill to suppress what the State allows—to suppress, without direct power and only by the fraudulent use of the tax power, what the State has undoubted right to foster and support. Its power to defend the product, shielded by express authority of the Constitution, is invaded and taken away not by bold usurpation, but by the stealthy, insidious, and fraudulent device of perverting a trust power vested in it for revenue into a weapon aimed at State autonomy. And thus Congress will in time absorb that immense mass of legislation which Judge Marshall said was unquestionably reserved to the States, and consolidate the police power of all the States under one central domination. Does not every man see, can any man fail to see, that this bill opens up the invasion of the police power of the States at the instance of any interest in the country, by the use of this tax power in Congress, and that the end will be that all police power being centralized here will be executed by the machinery of the Internal Revenue Department? Pass this bill, and you have a precedent which will soon result in breaking down all the defenses which have barred the State reserve of power from the usurping tendency of the Federal Government.

And why should you grasp for more power? Greedy of acquisition, of authority, Congress has so filled its calendar that it does only a tithe of its work, and even that not well, for lack of time. Do not amplify your jurisdiction. Limit it strictly by the boundaries of the Constitution, and you will do your legitimate work better by leaving to the States what is theirs to do and what they can better do than you. Cease debates on butter and oleomargarine. Leave that to States and cities and towns, and rise to the higher realms of political thought, in which we may frame a policy to place the imperial destiny of this Republic of republics upon the safe and sure pathway leading to its true glory, in securing the peace and happiness, the liberty and progress of all the people of all the Commonwealths of the American Union.

Nothing, that this bill can promise to its advocates here or in the country, can in any degree compensate the people for the pernicious and dangerous principles it contains, the results of which must be disastrous to our system of government and to our free institutions.

Temperance Education.

SPEECH

OF

HON. WILLIAM WALLACE BROWN,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, May 17, 1886.

On the bill (S. 1405) to provide for the study of the nature of alcoholic drinks and narcotics and of their effects upon the human system in connection with the several divisions of the subject of physiology and hygiene, by the pupils in the public schools of the Territories and of the District of Columbia, and in the Military and Naval Academies, and Indian and colored schools in the Territories of the United States.

Mr. BROWN, of Pennsylvania, said:

Mr. SPEAKER: I rejoice in the opportunity to vote for this bill, which authorizes education in the dangers of alcoholic drinks. Long before the effects we hope from it can with reason be expected, I pray that the Republic may be rid of it forever as a beverage. Nevertheless, this is a step in the right direction, and it would be criminal in this Congress not to pass this bill. We are told that we delude ourselves when we build our expectations upon so frail a foundation. Where can we so rationally begin temperance work, or even the work of prohibition, as among those who are in the coming time to wield the destinies of the Republic?

Hundreds of thousands of dollars yearly are expended to reclaim bondsmen to rum. Why not spend something to keep men out of bondage? Its evils upon our country and our age are incalculable. All ages and conditions are of its victims. The lowly and the exalted are alike subject to its resistless sway. It sits like a specter of evil with the judge upon the bench, and it haunts the legislators in the several States of the Union and in the National Congress. To-day its merciless clutch holds in brutal bondage some of the brightest minds in the national House of Representatives, and its toils are upon Senators well on their way to the ditch and the mad-house! It is the beginning of all riots, and without it anarchists would go forth on their diabolical doings desolate and alone. But by its free use they kindle the passions and nurse the revenge of the unfortunate, the thriftless, and the vagrant until, with honor blunted and patriotism debauched, they are fit companions of the senseless socialists and the fiendish anarchist. The hags who manufacture bombs, and the wretches who kill with them, whether on the streets or in our homes, are all, all alike fed and frenzied by this demon alcohol!

With my friend from Michigan [Mr. CUTCHEON] I indorse with emphasis what Master Workman Powderley, at the head of the Knights of Labor, has so eloquently said in relation to the use of strong drink:

The firmest link in the chain of oppression is the one I forge when I drown manhood and reason in drink. No man can rob me of the brain my God has given me unless I am a party to the theft. If I drink to drown grief, I bring

grief to wife, child, and sorrowing friends. I add not one iota of the sum of human happiness when I invite oblivion over the rim of a glass. If one moment's forgetfulness or inattention to duty while drunk brings defeat to the least of labor's plans, a lifetime of attention to duty alone can repair the loss. I promise never again to put myself in such a position. If every member of the Knights of Labor would only pass a resolution to boycott strong drink so far as he is concerned for five years, and would pledge his word to study the labor question from its different standpoints, we would then have an invincible host arrayed on the side of justice.

No man can calculate the percentage of crimes that this common enemy has inflicted upon our race, for the reason that they are visited from father to son, from generation to generation. But he who does not see its ravages strewn on every hand as he moves in society must be making his journey through life either blindfolded or without capacity to comprehend. Two years ago in this House the honorable gentleman from Wisconsin [Mr. PRICE] made the assertion that "99 per cent. of the woes and ills of society come from patronizing the saloons." No matter whether his figures are too high or too low it remains fearfully and wonderfully true that its whole career is written in blood, and its victims have filled the earth with woes unutterable.

I hail with delight all intelligent and all rational effort that society and legislators may devise to dethrone the monster and destroy its power. Seventeen States of the Union have already passed laws like unto this. By its provisions the District of Columbia and the great Territories are to educate their children upon this subject. When all the States and all the Territories shall teach their children what this enemy is and what it has done, we may with reasonable confidence assert that "the coming man will not drink wine."

Oleomargarine.

SPEECH

OF

HON. BENJAMIN T. FREDERICK,

OF IOWA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, May 26, 1886.

On the bill (H. R. 8328) defining butter, also imposing a tax on and regulating the manufacture, sale, importation, and exportation of oleomargarine.

Mr. FREDERICK said:

Mr. SPEAKER: I submit to this body that I do not believe a man in it will say that any man or company of men who use such insulting and abusive expressions regarding any class of people, much less of the mothers, wives, and daughters of our farmers, are deserving of any consideration, and I think their business as well as they should be driven out of existence. Mr. Speaker, I refer to the pamphlets sent out in the interest of oleo and butterine, in which many insulting things are implied of the dairy people; such as, "The oleo men are putting cow's hairs in their butterine in order to make it more closely resemble the real dairy butter."

But, Mr. Speaker, that to which I more particularly refer is contained in a pamphlet entitled "Higher wages and cheaper food: Honest words to honest men." It reads, "Beecher on butter," and is as follows:

Oh, for a reformation in the dairy! While old farmers hunt good breeds of cows, we hope young farmers will find a breed of wives who shall know that there is such a virtue as cleanliness. The practice of rolling butter in linen cloth is not good. In warm weather it sticks, and in all weather butter takes a peculiar taste from the cloth. Besides, though we believe in saving old shirts, we don't like the economy of tearing them up for butter rags. At any rate, it behooves us to know out of whose undergarments we are eating, for, we suppose, even cannibals have a choice of what men they shall eat."—*New York Grocers' Advocate.*

Mr. Speaker, I was raised on a farm and this is an insult to my mother, my sisters, and every lady in the land. The insinuation that any lady would take dirty shirts or any article of dirty underclothing to roll butter in is an insult to decency; and, Mr. Speaker, I would suggest that the Mr. Beecher, whoever he may be—surely can not be Henry Ward Beecher—be sent as a missionary to the Cannibal Islands, where baked missionary is the principal article of food, and thereby get rid of him as well as of the cannibals. But, sir, I fear the result! In the ballad of a mad dog, the man recovered from the bite, the dog it was that died!

Mr. Speaker, there is cleanliness in the use of a man's tongue as well as in the use of butter-cloths. And I here reiterate that men who use such insulting and uncalled-for expressions about the best people of our land are not too good to impose any kind of impure food on an unsuspecting people so long as it is a paying business to them, and the sooner they and their business are wiped out of existence the better it will be for the country. If any one will read Asmodeus, or the Devil on Two Sticks, they will find a fair illustration of this fraud and attempt at the centralization of capital against the producers and laboring classes.

Oleomargarine.

SPEECH

OF

HON. EDWARD W. SEYMOUR,

OF CONNECTICUT,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, May 26, 1886,

On the bill (H. R. 8328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine.

Mr. SEYMOUR said:

Mr. SPEAKER: Any proposition which promises to be of practical benefit to the farmers of this country commands my interest. If it contravenes no principle of constitutional law and is not unjust to other legitimate industries it secures my support. The farmers, notwithstanding their numbers and the vast importance of their calling, are so modest in their demands and so little practiced in those arts by which other industries secure legislation favorable to themselves that there is a natural desire to aid them. If I did not believe the bill under consideration to be constitutional I would not yield to that natural desire.

The argument against its constitutionality is that, inasmuch as we have no right to raise revenues except to meet the necessary expenditures of the Government, and such expenditures do not require this additional revenue in order to meet them, therefore the proposed tax would be unconstitutional. The argument is not sound.

It is necessary to raise a certain revenue to meet govern penses. Every man has a right of choice as to the articles upon which this tax shall be placed to raise such revenue. If I desire to put among the articles to be taxed for that revenue the articles enumerated in this bill, in order, among other things, to hasten the day when the tax may be diminished on wholesome food and necessary clothing, who shall question my constitutional right to do so?

If this proposition to tax oleomargarine had been reported from the Committee on Ways and Means in a bill which at the same time proposed to reduced the tax on some other article an equivalent amount, would any one have claimed the action to be unconstitutional? Does it affect the constitutional question that this bill takes only one of those steps and leaves the other to be taken hereafter when the opportunity occurs upon the tariff bill before the House?

If I propose (as I certainly do) to vote for measures calculated to reduce our revenues raised by taxation to the limits of our necessary expenses, and to raise that necessary revenue so far as may be by taxing luxuries and harmful commodities instead of the every-day necessities of life, who shall object? And am I to be defeated in that laudable object because I can not accomplish both purposes by a single vote and upon one bill? The fact that under our present tariff laws we do not need the revenue which this bill would produce does not make it unconstitutional with those who do not mean, so far as their votes are concerned, to permit those laws to remain as they are, and who propose to reduce taxation and to raise what is needed from articles which can best bear it.

As an original question no one would doubt the right of Congress under the Constitution to tax oleomargarine for the purpose of raising constitutional revenues. If it could have been originally taxed, so it may now be substituted as an object of taxation for some other article upon which revenue is now raised, and I, who desire such substitution, may consistently with a strict construction of the Constitution vote for it. While not caring to argue the general questions involved, I have desired to say thus much upon the constitutional question, because, as already intimated, if I considered the bill unconstitutional I would not vote for it, desirable as I believe is the end to be attained by its passage.

It has been strongly urged by gentlemen who admit the constitutionality of the bill that its provisions are impolitic; that they savor of class legislation and aim to destroy a competitive industry. Such arguments would have force if they were relevant, but they are based upon an entire misunderstanding of the bill, namely, that the bill taxes the product of the articles mentioned in section 2 independent of their being "made in imitation or semblance of butter, or calculated or intended to be sold as butter or for butter." Such is not the fact. Nothing is "oleomargarine" within the meaning of the bill except mixtures made in imitation or semblance of butter, or calculated or intended to be sold as butter or for butter.

One may freely make, buy, or sell compounds of oleo, oleomargarine oil, lardine, suine, offal fat, cotton-seed oil, and neutral so long as they are plainly marked with the names of the articles composing the mixture. It is the fraud, the sham which would sell them for butter, that the bill antagonizes.

Since when, Mr. Speaker, was the manufacture of a deleterious and offensive article and the palming it off on the unsuspecting purchaser under false colors dignified by Congressional recognition as an "industry"—a legitimate, competitive industry, with rights to be respected and claims to be regarded?

It is said that this measure will be a precedent for future taxation of articles against whose manufacture and sale none of the arguments exist which are admitted to exist in respect to the article taxed by this bill. It is sufficient answer to such an argument to say that it is illogical to argue from a good action that it will prove a precedent for a bad one; and Congress must be trusted, and surely may be trusted, not to enact laws for the purpose of taxing out of existence any legitimate industry. Regard for the Constitution and for what is certainly the sentiment of the American people would prevent such an exercise of power. There is no danger whatever in that direction.

There are other points involved in this discussion which have been so fully argued that it would be inexcusable to repeat them. The absolute vileness of many of the compounds sold as butter and so successfully colored and scented as to deceive buyers has been fully demonstrated. If there are any who prefer such compounds to pure butter they ought to be willing to have them marked, as of the compounds which compose them, so that those who prefer pure butter may not get something else by mistake. And it is not fear lest the Constitution should be infringed half as much as it is hatred of the entire system of internal-revenue taxation, with its taxation on the manufacture of spirituous liquors and tobacco, that furnishes the real motive of the opposition.

Land Grants in New Mexico, Arizona, and Colorado.

SPEECH

OF

HON. WILLIAM M. SPRINGER,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, May 11, 1886.

The House being in Committee of the Whole on the state of the Union, having under consideration the bill (H. R. 2851) to provide for ascertaining and settling private land claims in the Territories of New Mexico and Arizona and the State of Colorado—

Mr. SPRINGER said:

Mr. CHAIRMAN: This bill, in brief, provides for the appointment of a commission of three persons by the President of the United States, by and with the advice and consent of the Senate, to serve for four years, for the purpose of adjudicating Mexican and Spanish land grants in the Territories of New Mexico and Arizona and that part of the State of Colorado derived from the Republic of Mexico.

These claims, aggregating an immense amount of acres of the public domain, should have been settled long ago. In 1851 Congress provided a commission for the settlement of such claims in the State of California, and that commission performed its duty, cases were all disposed of in the courts, and, in general, titles were quieted, and the prosperity of that State was assured. But in the Territories of Arizona and New Mexico, and that part of the State of Colorado ceded to us by Mexico, these titles have never been quieted. Lands thus claimed have been surveyed in some instances, and in other cases large portions of such land have been patented by the United States to persons who had no title to them.

The Commissioner of the General Land Office, in his last report, states there are now pending before Congress ninety-six claims to lands in the Territories of New Mexico and Arizona, covering an alleged estimated area of 8,500,000 acres. These claims have never been examined carefully by the General Land Office, some have been partially examined; and it is due to the claimants, it is due to the Government, it is due to the people of these Territories, that these claims should be finally adjudicated and the titles permanently quieted.

If gentlemen could see before them a map of the Territory of New Mexico they would observe many red spots, which mark the claims already presented to the Interior Department of the Government, covering nearly one-quarter of the area of that vast Territory.

Most of these lands are withheld from settlement and the titles are now in dispute. Villages and towns have been located on them, and yet the people in many instances are uncertain as to whether they own a foot of the land or not.

Mr. MCADOO. Will the gentleman permit me to ask him a question?

Mr. SPRINGER. Certainly.

Mr. MCADOO. Is it not a fact that large cattle syndicates have taken possession of a large portion of this land?

Mr. SPRINGER. The gentleman from New Jersey asks me whether large cattle syndicates have not taken possession of much of this land. Cattle syndicates, sheep syndicates, and syndicates of capitalists generally have obtained possession of a great many of these grants. There is a pressing necessity for action on the part of Congress in this matter. I call the attention of the committee to the report of the Commissioner of the General Land Office in regard to many of these cases. One in particular, where a patent has been already issued, deserves the attention of the people. It is known as the Maxwell grant, which Secretary of the Interior Cox thought could not under any construction of the grant exceed 96,000 acres, but which was afterward patented for 1,700,000 acres. The patents for that land are now held by a Dutch or Holland syndicate known as the Maxwell Land Grant Company. Suits have already been instituted in Colorado to set aside those patents so far as they cover land in that State. Commissioner Sparks, of the General Land Office, in his annual report for the year 1885, thus refers to this grant:

In July last I submitted to you the result of my investigation of the proceedings of this office by which the notorious "Maxwell" or Beaubin and Miranda grant in New Mexico and Colorado was patented in 1879 for upward of 1,700,000 acres, when, if the grant had possessed any original validity, the quantity legally claimable under it could not have exceeded 96,000 acres, and this quantity only was patentable by the effect of Congressional confirmation. It was so found by Mr. Secretary Cox in 1869, and his judgment had not been reversed when upon a forced assumption of the applicability of a judicial decision in another case and a tortuous construction of a general letter of advice from a succeeding Secretary, this office resurrected the extinguished claim for excessive quantity and passed it to patent without written decision, "and without opportunity being afforded adverse parties or protestants to appeal to the Secretary or invoke his supervisory judgment;" and this in the face of "a large number of letters, complaints, petitions, protests, and charges" which have been transmitted to this office and Department from citizens of New Mexico, "alleging fraud in the location and boundaries of this claim, its extension far beyond any original claim or possession by the grantees, the invasion of settlement and mining rights, and of the rights of native inhabitants and Indian occupants."

The files of the office groan with pitiful appeals of settlers to be protected against fraudulent surveys of private land claims, which appear generally to have received no more attention than to be buried in the tomb of official archives. Recent memorialists, praying legal intervention to save their homes and property from seizure under a patent issued in 1881 for nearly 1,000,000 acres to the claimants of the Sangre de Cristo grant in Colorado, which, if existent and valid, was restricted by the laws of Mexico to one-tenth the quantity conveyed by this office, say upon a recital of frauds and injuries alleged that "against these wrongs petitions time and again have been filed, directed to the honorable Secretary of the Interior, all of which might as well have been directed or consigned to a fiery furnace."

Commissioner Sparks, in the same report, calls attention to the Cañon de Chama grant, in New Mexico, which when originally presented was for a single square league of land. This was shown by the plats then exhibited. The claim was purchased from the original owner, and through the skillful manipulations of land-grabbers it has grown in size until it has reached the magnificent proportions of more than 100 square leagues, or 472,736 acres, and is fortified by a survey showing the identical boundaries. The Committee of this House on Private Land Claims of the Forty-seventh Congress (Republican) reported this case for confirmation at the last-named area, and I well remember when it was considered in Committee of the Whole and defeated. It is still pending, however, and nothing short of a judicial determination will ever place a final quietus upon it. I presume the entire area thus claimed is withheld from settlement under the homestead and pre-emption laws.

Since Commissioner Sparks assumed the office he now holds he has rendered an adverse decision on the claim of Gervacio Nolan for 575,000 acres of land in New Mexico. Congress had expressly provided in 1870 that but one of two grants which he claimed should be confirmed, and he was allowed to make his selection, which he did, "in full satisfaction of all further claims and demands against the United States." Having obtained one grant upon these terms, it was reasonable to presume that his claim was finally settled. But not so. He turned up again as a claimant in the General Land Office for the other grant. In 1880 the General Land Office so far recognized this last claim as to order a survey thereof, which was made, and the plats filed. The survey as then made embraced 575,000 acres, or twelve times the legal quantity, if the grant had ever had any validity. The lands embraced in this survey were withdrawn from settlement under the general land laws, and the whole area reported for confirmation. Mr. Sparks set aside the survey and decided that the land belonged to the United States, and opened it to actual settlers.

Mr. Sparks, in the report already referred to, thus sums up the action of his predecessors in reference to a few of the Spanish and Mexican land grants in New Mexico:

The New Mexico claim of Francis Martinez under the colonization laws, which limited grants to the maximum of 48,000 acres, was surveyed for 594,515.55 acres, and patented in 1881. A similar grant to E. W. Eaton was surveyed and patented in 1880 for 81,032.67 acres. A similar claim was surveyed and patented to Antonio Sandoval in 1877 for 60,117.39.

The claim of John Scolley, also in New Mexico, was surveyed for 108,507.64 acres and the land reserved. Congress confirmed the grant according to its terms for five leagues, or 22,193.40 acres, but the larger area still remains in reservation.

A New Mexico grant said to have been made to Salvador Gonzales, in 1742, of "a spot of land to enable him to plant a cornfield for the support of his family" has been surveyed for 103,959.31 acres, and land reserved. An amended survey has been filed reducing this amount to 23,661 acres, and the claim is now pending before Congress.

The Anton Leroux grant in New Mexico, surveyed for 126,024.50 acres and the land reserved, has been examined by this office and the survey found to be excessive to the amount of more than 100,000 acres.

The B. M. Montaya grant in New Mexico, limited to 48,000 acres under the colonization laws, is surveyed for 151,056.97 acres and the land reserved. Claim before Congress.

The Sedillo grant in New Mexico, of the same character and limitation, is surveyed for 88,079.78 acres and the land reserved. Claim before Congress.

The Arroyo de San Lorenzo grant in New Mexico, same limitation, is surveyed for 130,000 acres and the land reserved. Claim before Congress.

The Estancia grant in New Mexico (Nolan No. 3), also restricted under the

colonization act to 48,000 acres, is surveyed for 415,036.56 acres and the land reserved. Claim before Congress.

In 1768 Ignacio Chaves and others (New Mexico) petitioned for a tract "which will have on each side one league and a half, more or less." This would make a tract of 2¼ superficial leagues, or a little less than 10,000 English acres. The claim has been surveyed for 243,036.43 acres and the land reserved. Pending before Congress.

The foregoing and other cases cited are mentioned as examples merely exhibiting the general situation.

There is no data upon which to estimate the number of claims that may yet be presented.

A gigantic scheme for stealing several million acres of land in Arizona is thus exposed by the Commissioner of the General Land Office:

The inhabitants of Southern Central Arizona have for the past two or three years been threatened by the assertion of the existence of an enormous grant alleged to have been made in 1758 to one Peralta, embracing a region of country 49 by 150 miles in extent, or a larger area than the combined States of Connecticut and Rhode Island, the location of which was laid in the most populous and valuable portion of the Territory. An extensive correspondence touching this alleged grant was entered into during my predecessor's incumbency of this office between the Governments of the United States, Mexico, and Spain, resulting in the following letter addressed by me to the surveyor-general:

DEPARTMENT OF THE INTERIOR, GENERAL LAND OFFICE.
Washington, D. C., May 2, 1885.

SIR: I am in receipt by reference from the honorable Secretary of the Interior of your letter of March 27, 1885, stating that certain papers have been filed in your office in the matter of an alleged grant to one Peralta, claimed to embrace a region of country 49 by 150 miles in extent, aggregating 4,000,000 acres of land, inclusive of the city of Phœnix, the towns of Florence, Globe, and Silver King, the major part of the counties of Maricopa, Pinal, and Graham, a large portion of the White Mountain, and the San Carlos Indian reservation, and that said alleged grant also purports to carry all minerals.

You transmit a list of papers filed, the most material of which purport as follows:

(1) Decree of Ferdinand VI (King of Spain) recommend grant.

(2) Copies of the report of the royal tribunal of the Inquisition of the grant to Peralta by the viceroy in 1758, and of the statement of Peralta as to location of grant.

(3) Petition of Peralta to King Carlos III, praying confirmation of the grant.

(4) Order of King Carlos III confirming grant.

You state that although from one and one-half year's study you are familiar with every detail of this alleged grant, you are not in possession of corroborative proofs or evidence thereof.

Thorough search has been made under the direction of the Government of the Republic of Mexico, at the instance of this Government, and no record of this grant, nor of any of the various and minute proceedings required by the laws of Spain and the Indies, connected with the making of such grants, has been discovered.

You are further advised that this Department has received from the Department of State official information communicated by the Spanish Government through the American legation at Madrid that a careful search has been made by the director of the archives, and that the "so-called 'Peralta Grant' does not exist in those archives."

The royal grants of Spain were made with great solemnity of form and record. It is impossible that a grant should have been "recommended" by one sovereign, reported by the most august tribunal of the nation, and confirmed by the kingly deed of another sovereign and no record of these high and important acts of state appear in the archives of the Spanish Government.

The evidence that no such record exists is sufficient evidence that no such grant was made.

The essential foundation of a recognizable claim under the laws of Spain and the treaties and laws of the United States does not appear in this case. It is my opinion that the futile work in which you have been engaged for a year and a half in the direction of investigating an alleged claim which, from your own statement of its uncorroborated character, had not been placed before you in a condition to be entitled to consideration, should forthwith be discontinued. The only effect of your action and proceedings has been to needlessly alarm citizens in lawful and peaceful possession of homes and property upon the soil, to threaten with insecurity private titles in towns and cities, to imperil valuable mining interests, and to intimidate settlements upon public lands.

Very respectfully,

WM. A. J. SPARKS, *Commissioner.*

ROYAL A. JOHNSON, Esq.,
Surveyor-General, Tucson, Ariz.

I presume, Mr. Speaker, we shall hear no more of this Peralta claim, at least while Commissioner Sparks is in office. I could, if time would permit, refer to very many more of these fraudulent claims. Many of them have received the sanction of Congress or the Interior Department under former administrations. It is high time that Congress was adopting some measure of relief. The pending bill will secure a judicial investigation of the facts involved in all alleged land grants in the Territories of New Mexico and Arizona and in the State of Colorado. I rely upon the President to appoint three able and incorruptible judges to constitute this commission. They will have a responsible and important duty to perform. They should be learned in the law and of adamantine integrity. The land-grabbers will use all their efforts to deceive, to defraud, and mislead. It will require time, patience, and great labor to thoroughly consider and determine all the questions which will be raised.

The growth and prosperity of New Mexico are now greatly retarded on account of the uncertainty of land titles and the conflicting claims arising under pretended grants from the Republic of Mexico and from Spain. The commission provided in this bill can alone hear and determine all these questions, and finally quiet all titles. When the titles are quieted, permanent improvements will be made and business prosperity will speedily follow. We owe it to the people of those Territories to pass this bill at once. It is a measure of relief too long delayed already.

The labors to be performed by the commission are such that the Departments and Congress can not perform them and do justice to all concerned. A careful investigation in the vicinity of the grants will often be required in order to determine the real boundaries of grants as originally intended.

The courts now organized in the Territories have now more business than they can transact. We can not expect them to properly consider the immense amount of business which will devolve upon this commission. It will require four or five years of constant labor on the part of the commission to pass upon all the claims that will be presented.

Delay in finally settling the questions involved is delay in advancing the material prosperity of the people interested. In many places business is at a standstill, enterprises are suspended, and general apathy prevails, owing to the fact that the titles are in dispute. This bill furnishes the most speedy and satisfactory means yet devised for an honest judicial determination of every doubtful question and finally quieting all disputed titles. I have no doubt President Cleveland will appoint an honest and able commission. If I had any doubts on this question I would hesitate about conferring this power upon him. He has proven equal to every other trust, and I shall rely upon him to properly execute this.

I hope the bill will pass, and I assure the committee that its beneficial results will far exceed the cost of its execution.

Pending the remarks of Mr. SPRINGER his time expired and the following proceedings were had:

The CHAIRMAN. The gentleman's time has expired.

Mr. SPRINGER. I ask leave of the committee to print the remainder of my remarks on this bill.

The CHAIRMAN. The Chair hears no objection and it is so ordered.

Mr. SPRINGER. The gentleman from Kentucky [Mr. HALSELL] also desires the same privilege. And I ask unanimous consent that all gentlemen who desire to do so may print remarks in the RECORD on this bill.

The CHAIRMAN. The Chair hears no objection, and it is ordered accordingly.

Oleomargarine.

SPEECH

OF

HON. ORMSBY B. THOMAS,

OF WISCONSIN,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 3, 1886,

On the bill (H. R. 8328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine.

Mr. THOMAS, of Wisconsin, said:

Mr. CHAIRMAN: The persistent opposition to this bill by the minority of the committee has greatly astonished me. Having carefully examined the provisions of the bill I am in favor of it. The various objections that are offered appear to me to be susceptible of an answer. The objection that has been so often urged here that this is the use of the taxing power for the unjust destruction of one industry for the benefit of another has no force whatever with me, for the reason that the articles and substances of which oleomargarine is composed, as shown by the report of the Committee on Agriculture, are of a poisonous and deleterious character, and, when so made, is such an exact imitation of butter as not to be distinguished therefrom by taste or in any ordinary way, and that by this means a great fraud is imposed upon the people, a fraud which scatters disease and death. This is the same kind of industry as is the manufacture of bombs and explosives for the anarchists, or as would be the building of piratical ships to prey upon the commerce of the high seas. If it can be lawfully done by Congress, this fraud, this deceit, should be controlled. This brings me to consider the constitutional objection which is so persistently made. It is not pretended that Congress has not the power to impose a tax upon oleomargarine the same as it has the power to impose a tax upon whisky and tobacco, but the argument is that we do not need the revenue to be derived from the tax, and that the taxing power is used not for raising money to support the Government, but for the suppression of the manufacture of oleomargarine. I answer that no gentleman has the right to assume that this is the position of those who vote for this bill.

There is great necessity for the revenue which will be realized by the passage of this law. The present revenues of the Government are insufficient to meet the wants of the nation if the appropriations are made that should be for the pensioning of our soldiers, the building up of our Navy, the erection of proper coast defenses, together with the ordinary and ever-increasing expenses of the Government. This act is constitutional upon its face, and I deny the right of those who oppose this bill to say that those who support it are not seeking to obtain a revenue in the manner provided by the Constitution. This disposes of that objection, as I do not believe any one will deny the right of Congress to in good faith put a tax upon this article. When gentlemen abandon the constitutional argument they appeal to us in behalf of the poor man, saying that he will be injured and oppressed by being deprived of cheap butter. The argument is in my judgment an insult—yes, the greatest insult that could be offered to an American citizen. Is it to be believed

that any man would purchase an article of food for his family knowing that it contains the germs of disease and death? If this be so, why do these manufacturers of oleomargarine make it so that it is intentionally and fraudulently sold as real butter? There is nothing whatever that is used as food that should not be as pure and as healthy for the poor man as for the rich man, and such an argument as that shall not deter me from voting for this bill.

I can readily see that those who are engaged in the manufacture of the article taxed by this bill, and who are said to be making yearly untold millions, will be greatly injured if they are by law obliged to brand and mark this spurious butter in such a way as that no one shall be deceived thereby, and I can readily see that those who furnish vast quantities of cotton-seed oil to be used in the manufacture of oleomargarine may be affected by the provisions of this bill, but, sir, in my judgment all this furnishes no reason for opposition to this measure. The farmers of this land should be protected against this fraud, and the consumers of butter should be protected against this fraud. By the terms and provisions of this bill the manufacturers of oleomargarine may go on uninterrupted by any of the provisions of this bill, without tax and without restraint, if they will drop the fraud and make an article that does not look like butter and that is not sold as butter; in other words, make an article that does not falsely pretend to be butter. I see no hardship in this, but on the other hand I see in the provisions of this bill vast good; and as we have the constitutional power to levy this tax I am in favor of putting it high enough to insure the protection of the people against this fraud and to insure the successful carrying out of the law, for no higher duty can devolve upon us than to protect the people against a deception that has surreptitiously crawled into every household to taint the blood and corrupt and destroy the health of the people.

Butter vs. Oleomargarine.

The first farmer was the first man, and all historic nobility rests on possession and use of land.—EMERSON.

SPEECH

OF

HON. ISAAC S. STRUBLE,

OF IOWA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, May 26, 1886,

The House being in Committee of the Whole, and having under consideration the bill (H. R. 8328) defining butter, also imposing a tax on and regulating the manufacture, sale, importation, and exportation of oleomargarine—

Mr. STRUBLE said:

Mr. CHAIRMAN: I am not now nor have I ever since becoming a member of Congress been ambitious to participate to any considerable extent in the current debates of this House; and at this time, when it is apparent that the friends of the pending measure desire to obtain a vote at the earliest possible moment—in which desire I heartily concur—I would content myself with simply voting as my judgment approves, were it not that this proposed legislation so vitally concerns the people of the entire State of Iowa, a very considerable part of which State and people I have the honor to represent upon this floor. But, sir, I am free to confess that I can not remain quiet and not offer a word indicative of my solicitude for the interests of the people who have twice honored me with their suffrages.

The importance of maintaining our agriculture in a healthy and prosperous condition no one will for a moment question. If more than our own observation and experience were necessary to confirm this statement, a reference to history and the opinions of learned men who in generations past have written on the subject would abundantly supply requisite proof of the correctness of my statement. From the earliest times until the present all nations, ancient and modern, have given to agriculture the place of honor among the employments of men. The prosperity of agriculture was a matter of great solicitude to the ancients. Among the Egyptians, husbandmen were held in great esteem and laws passed for their encouragement and protection.

The first care of the Persian princes was bestowed upon the cultivators of the soil. The satraps whose provinces were best cultivated received the largest share of royal favor; and officers were appointed by the Crown to inspect and report upon the agricultural industries. It is related by Xenophon that Cyrus the younger informed himself whether the private gardens of his subjects were well kept and yielded abundantly, and that he rewarded the industrious and skillful cultivator and punished the sloth of those who allowed their vineyards to be unproductive.

Gelon of Syracuse, who flourished in the fifth century before Christ, "animated the husbandmen by his presence and delighted in appearing sometimes at their head."

His intention, says Plutarch, was to make the country rich and fruitful and to inure his subjects to toil, and by that means preserve them from a thousand disorders which inevitably follow a soft and indolent life.

Rollins, in his excellent ancient history, declares:

The culture of lands will be an inexhaustible fund of wealth in all countries where this profitable calling is encouraged by maxims of state policy.

Xenophon represents agriculture as the employment of all others the most worthy of man, the most ancient, and the most suitable to his nature; as the most common nurse of all ages and conditions of life; as the source of health, strength, plenty, riches, and a thousand sober delights and honest pleasures; as the mistress and school of sobriety, temperance, justice, religion, and, in a word, of all kinds of virtue both civil and military.

One of the ablest of American statesmen—Alexander Hamilton—in his report on manufactures, submitted to the House of Representatives December 5, 1791, paid the following merited tribute to agriculture:

It ought readily to be conceded that the cultivation of the earth, as the primary and most certain source of national supply; as the immediate and chief source of subsistence to man; as the principal source of those materials which constitute the nutriment of other kinds of labor; as including a state most favorable to the freedom and independence of the human mind—one, perhaps, most conducive to the multiplication of the human species—has intrinsically a strong claim to pre-eminence over every other kind of industry.

Citations from other eminent authors and writers bearing similar testimony to the supreme importance of agriculture might be multiplied, but they would be superfluous both in this presence and that of our intelligent constituency. As in all ages, so at this time agriculture forms the basis of wealth and national power; and the member of Congress who gives but a hasty and impatient consideration to the subject—in whatsoever form it may be presented—fails, in my humble judgment, in the exercise of an intelligent and comprehensive statesmanship.

GROWTH OF IOWA; AGRICULTURE THE CAUSE.

Mr. Chairman, it has been but forty years since the State of Iowa, with a population of only 81,000, became, by the determined action of her people and the consent of Congress, a member of the Federal Union.

The great prairies stretching away westward from the Father of Waters were but sparsely settled. There were no large cities within her territory in 1846; no railroads and no commerce compared with that which exists in Iowa to-day.

But what a marvelous change has taken place. Instead of 81,000 people there are now nearly 2,000,000. Numerous large cities and thousands of thriving towns and villages dot the surface of the whole State. Excellently equipped and prosperous railroads run into or through every county. A glance at the latest map of the State discloses a vast system, a complete network of railroads fully accommodating the people and bearing their now immense commerce to the markets of the world, and I venture the assertion without fear of successful contradiction that no more intelligent, happy, and prosperous people can be found in any State of the Union.

What has made Iowa the proud and prosperous State she is to-day? What occupation have her people followed during these years since her admission to the sisterhood of States?

Generally speaking, every occupation known to Western civilization, but in a particular sense agriculture—raising wheat, oats, corn, barley, potatoes, hogs, cattle, and horses; making butter, gathering and selling eggs, fattening their hogs and cattle—this employment, in which nearly one-half of her people are engaged, or directly dependent upon, has been the main cause of the growth and development of the State.

Mr. Chairman, although but fourteen years a resident of Northwest Iowa, I can say that I have myself witnessed throughout nearly one-fifth of the total area of the State that wonderful transformation which has converted vast stretches of uninhabited prairie into the homes of two hundred thousand American citizens.

The cause of it all, as I have indicated, is nothing new in the history of the world; but it is the same old story, no romance about it, but the plain and simple narrative of the success and value of agriculture, the purest, most independent, and health-giving employment in the world, the foundation of our nation's greatness and the pledge of its perpetuity. And right here let me say that during the last few years, and especially prior to the considerable manufacture of oleomargarine and butterine, hundreds of creameries were built and operated until, as is the case with not a few, competition with the false and unnatural imitations of butter has compelled them to close.

Those still in operation must soon, unless relief is speedily afforded, either close up entirely or conduct their business at a loss. This means surrender to the power of a vile compound, the production of which is carried on by city capitalists who have never sustained any other relation to agriculture than that of speculators upon its generous bounty.

IMPORTANCE OF THE DAIRY INTERESTS OF IOWA.

To convey an impression of the importance of the dairy interests in Iowa, let me say that in 1880, according to the census, there were in that State 854,187 head of milch cows, since which time the number has increased to 992,313; the production of milk in 1880 was 15,965,612 gallons; of butter, 55,481,958 pounds, and of cheese 1,075,988 pounds.

At fair prices and at the above rate of production these two articles (butter and cheese) would realize to the people of that State nearly $12,000,000, with an increase annually in proportion to the increase of milch cows.

The manufacture of oleomargarine and butterine has not only threatened damage to the butter and dairy interests of that and all Western States, but it has already resulted in serious loss; and it is now perfectly apparent that, unless this or some other remedial measure is speedily passed by Congress, irreparable damage will certainly be entailed upon interests which, in my judgment, deserve the special care of State and National Legislatures.

Mr. Chairman, the centuries bear testimony to the supreme importance of agriculture. No nation can prosper without it. No employment can safely be exalted above it. The country not possessing the necessary area adapted to successful cultivation of the soil must devote itself specially to such pursuits of commerce as will enable it to command food products at a minimum. England presents the most conspicuous illustration of this fact in the curtailed agricultural possibilities existing within the moderate limits of her home territory; and therefore, well knowing that extended agriculture at home, with her limited country and deplorable land system, was impossible, her statesmen were compelled to adopt a policy whereby the want could be supplied.

CONTRAST IN THE AGRICULTURAL SITUATIONS OF ENGLAND AND THE UNITED STATES.

We know that England has for centuries, and up to a comparatively recent date, persistently and effectually maintained the protective principle, until her manufacturing industries have become so prosperous that no nation can compete with her. Having thus attained commercial supremacy, she has strengthened her position by the policy of subsidizing her ships, having expended for that purpose in the last forty years $200,000,000; so that she is now able, notwithstanding her local territorial disadvantage, to preserve the enviable position she has long maintained among the nations of the world.

Our situation as an American nation is entirely different from that of England. We have a vast area of territory, and, with the exception of Alaska, included within an unbroken territorial unit. This immense area is so diversified that a large part of it is admirably adapted to successful cultivation and stock-raising, while the inexhaustible mineral resources and almost innumerable rivers and streams afford unsurpassed advantages for mining and manufacturing; and, with our facilities for cheap transportation by rail and water, we possess all the conditions necessary to the successful and permanent employments of civilization.

If it be true that during past ages agriculture has had the first place among all industries; if it is fundamental in the true system of political economy; if no nation can be great and enjoy continued prosperity without either having within her borders adequate arable lands to sustain her population, or being able to command their products at low prices, the conclusion is irresistible that, among the many employments in which our large and increasing population is engaged, none more deserves and demands the encouragement and assistance of legislation than the employment of the agriculturist.

For such reasons as I have already suggested, and others that might be enumerated, I do not see how any member of this body can refuse his support to the measure before us.

But, sir, we are charged with a solemn duty toward the bill on account of another and, I think, weighty consideration, which should not be overlooked.

From an early day in our national life it has been our unbroken policy to encourage settlement upon the public lands; and by the adoption of liberal land laws we have induced not only native but large numbers of foreign-born citizens to enter upon, improve, and cultivate the soil.

As the years have passed, realizing the sure and rapid growth in our manufactures and the extension and expansion of our internal commerce, those controlling national legislation have had a wise appreciation of the value of rural pursuits; and so, by the pre-emption law enacted by a Democratic Congress and the homestead and timber-culture acts passed when the Republican party was in power, a marvelous increase of farm and stock lands has been developed; and thus in the progress of that development manufactures, commerce, and agriculture have been intimately associated and have sustained, as they must in all great countries, that relation of interdependence which so greatly contributes to public good.

Now, as it appears to me with these facts in mind, it is not only unwise upon purely economic grounds but it is unfair as a matter of honest dealing either to permit or encourage any encroachment upon the legitimate field of agriculture; and in fairness to our agricultural classes I think competition which involves imitation of any of their products should not be allowed, if it can be rightfully prevented. If imitation of butter by the use of elements alien to its natural production is permitted without restraint, it can not be predicted what next, in the line of imitation will follow, nor how soon other products will find themselves confronted by a protected, patented semblance, the result of some new discovery, aided by enterprising capital; and, if these damaging aggressions upon the old and stable province of the farmer are permitted, it may not be long until he finds his occupation so seriously crippled that he can not do more than eke out a meager existence in its pursuit; and so I say, let us "hold fast that which is good," and protect our farmers in that domain of industry in which our land laws have incited and encouraged them to engage.

GROWTH AND RELATIVE IMPORTANCE OF AGRICULTURE IN THE UNITED STATES AS SHOWN BY THE LAST CENSUS.

I trust it will not be trespassing too much upon the time and patience of the House if I consider briefly the growth and magnitude of agriculture in this country and its relative importance.

Referring to the census of 1880 we find the following facts:

Capital invested in manufactures	$2,790,272,606
Value of manufactured product	5,369,579,191
Production of gold and silver	74,490,620
Capital invested in railroads	5,425,722,560
Total	13,660,064,977
Value of farms, including land, fences, and buildings	10,197,096,776
Value of farming implements and machinery in use on farms	406,520,055
Value of live-stock on farms	1,500,464,609
Value of farm products for 1879	2,213,402,564
	14,317,484,004

Nearly a million dollars more than the combined capital invested in manufactures and railroads together with the combined product of manufactures and the mines.

In 1880 the number of milch-cows in the United States was 12,443,120; the number of gallons of milk produced was 530,129,755; the number of pounds of butter made was 777,250,287; the number of pounds of cheese made was 27,272,489.

The rapid growth which the agricultural interests of the country have experienced is shown by the following statement:

The number of acres in farms has increased from 293,560,614 in 1850 to 536,081,835 in 1880. The assessed valuation has risen from $3,271,575,426 in 1850 to $10,197,096,776 in 1880.

The value of farm implements in use (on farms) has risen from $151,587,638 in 1850 to $406,520,055 in 1880.

The product of Indian corn has risen from 592,071,104 bushels in 1850 to 1,754,591,676 bushels in 1880; oats, from 146,584,179 bushels in 1850 to 407,858,999 bushels in 1880; wheat, from 100,485,944 bushels in 1850 to 459,483,137 bushels in 1880; barley, from 5,167,015 bushels in 1850 to 43,997,495 bushels in 1880.

Mr. Chairman, comment upon these statistics is unnecessary. They sustain and confirm my strongest statements relative to the importance of the farm and its multiplied products.

PAST IMMUNITY OF AGRICULTURE FROM THE ENCROACHMENTS OF OTHER PURSUITS.

Our farming classes have well understood the relation which their pursuit has ever sustained to other industries and to the general welfare; they have understood that their productions occupied a position in the world's commerce not subject to serious intrusion or encroachments by those engaged in other callings; and, until within a comparatively recent time, no device or ingenuity of man has been able, by the use of means in whole or in part foreign to legitimate agriculture, to invade the domain of the farmer and stock-raiser. His productions have had their well-defined place in the commerce of the world; they have been clearly identified, and their relation to the wants and necessities of those engaged in other vocations has been duly appreciated by all thoughtful and intelligent people.

The wheat, corn, oats, potatoes, hogs, horses, and cattle of the farmer and stock-raiser have constituted articles of consumption and use not susceptible of imitation, and statistics plainly show that butter has occupied a place as clearly defined as that of any of the numerous farm staples. And who that has ever lived upon the farm, or that has had intimate acquaintance with the productions of those engaged thereon and the processes of exchange constantly going on between farmers and trades-people, can for a moment fail to appreciate the importance to every farmer of preserving the domain so long by common consent assigned to him?

I now wish to call the attention of members to the practice of the prudent, thrifty wife of the farmer in regard to the exchange of butter and eggs for the numerous articles needed in the conduct of her household duties and the care and comfort of her family. Thousands of farmers are comparatively poor. The usual periods at which they realize on their heavier and more valuable products do not occur at frequent intervals, and in the mean time many small articles from grocers and merchants must be purchased. The necessary money is not always at hand. To obtain these little necessaries for the table, for the children, and for herself, the wife of the farmer devotes many hours of hard work to milking the cows, caring for and churning the milk, and working and perfecting the golden butter.

At the end of the week, with her butter and eggs, she drives to the nearest village or city and there exchanges them for the commodities she could not otherwise obtain without money or the incurrence of debt.

This may seem a trifling reference, a fact beneath the dignity of dis-

cussion in a body like this; but, sir, the time has come when a blow is not only falling upon the more wealthy farmers and the men engaged in conducting creameries in various parts of the land, but upon every poor farmer, his wife and children; and I know by experience and observation that, to permit the growth of such fraud and deception as this oleomargarine business, is to permit serious injustice and continuing hardship to rest upon every one of the poorer farmers and their families; and I, for one, am unwilling that this shall be accomplished if, acting within constitutional limitations, it can be prevented. For centuries the farmer has been secure in the enjoyment of his undisputed right to utilize the milk product of the cow as he might see proper.

Until within a few years past he was as secure in his butter product from unnatural imitation as in the meat product of his hogs and cattle. But a new era has dawned.

ORIGIN AND INCREASE OF BUTTER IMITATIONS: EXTENT TO WHICH THEY ARE SUPPLANTING OUR FOREIGN BUTTER MARKET.

From one of the crowded countries of the Old World, and during a period of distressing war, emanated a revelation by which certain elements and chemicals entirely disconnected from and foreign to butter might by compounding be made to resemble the genuine article. During the Franco-Prussian war a Frenchman by the name of H. Mége, having his attention called to the question of a substitute for butter, devoted himself to the consideration of certain chemical elements and fatty substances with a view to inventing a compound which should be manufactured and sold as such substitute.

Success crowned his efforts and a patent was obtained in France; and in 1878 he was granted letters patent by the Government of the United States. The ingredients of his invention were enumerated as follows: "Fats of all animals reduced by novel methods; oleomargarine mixed with milk, combined with bicarbonate of soda, and pepsin from prepared cows' udders, coloring matter added, and churned." Quite a respectable dish compared with later "improvements."

That discovery—the child of war, or, as was so aptly put during the debate by the gentleman from Illinois [Mr. HOPKINS], "the war measure of the inventive Frenchman"—justified for the time being, perhaps, has, together with the numerous "attachments" supplemented by the ingenious and irrepressible "Yankee" by way of other patents, become a sword in the hands of enterprising, unscrupulous capitalists with which to slaughter the innocent and unoffending. As a result of these discoveries, coupled with other causes, the vast farms and dairy interests of this country are to-day trembling upon the verge of ruin.

Sir, I am forever opposed to permitting any foreign war measure, however modified by men of inventive genius in our own land, to destroy any of the heretofore well-defined products of the farm.

We are having, and are liable to have in the future, sufficient trouble with such foreign elements as the Mosts, Spieses, Fieldens, Schawbs, and others, such as are now engaged in fomenting incendiary and murderous sentiments among the people, without permitting a Frenchman's ingenuity, aided by selfish American schemers, to "dynamite" the entire butter industry of the country.

I insist it is quite time that legislative war be declared against this "alien enemy;" and I am in favor, through the agency of this bill, of giving the French plan of butter-making such a blow as will at least discourage others than those now engaged in its manufacture from embarking therein.

A glance at the extent of the manufacture of butter imitations: Exact statistics as to the quantity manufactured seem unattainable. . The Committee on Agriculture, who reported this bill, after most careful investigation, estimate the annual output of all factories in this country at 200,000,000 pounds. This may be too large an estimate; say the quantity does not exceed 150,000,000 pounds; yet that is one-fifth the total production of butter in 1880.

Let it be remembered that the purpose of the men who have engaged in this business is to imitate our old and reliable commodity, table butter; and, if necessary for their success, to utterly annihilate every creamery and dairy in the country.

In truth, Mr. Chairman, the average money-making American in his mad rush for wealth is hardened to all tender sentiments; and this furious ambition, so prevalent among our people, is leading to wreck and ruin thousands of our men, who but for it would shine as examples of good citizenship.

That those now engaged in manufacturing oleomargarine are accumulating fortunes rapidly there can be no doubt. If their product in alleged perfect imitation of butter, can be made, as has been shown, at 6 to 7 cents per pound; and if sold at the price of good butter, as it is, two things become at once apparent: the large profit to the manufacturer and his destructive power against the makers of good butter, which can not now be profitably produced ready for transit to market for less than 15 cents per pound. What a field for rapid accumulation of wealth, and what temptation to overcome any and every obstacle in order to attain it!

Before leaving the subject of the quantity of oleomargarine manufactured I beg to call attention to some statistics bearing upon exportations of butter, oleomargarine, &c., during the past ten years. The following table is interesting, as showing how oleomargarine is rapidly and effectually destroying the foreign trade of our farmers and those operating creameries:

Table showing the value of butter, cheese, and oleomargarine exported from the United States from 1875 *to* 1885.

[Compiled from the quarterly report Chief of Bureau of Labor Statistics for the three months ending September 30, 1885, page 204.]

Year.	Butter.	Cheese.	Oleomargarine.
1875	$1,506,996	$13,659,603	
1876	1,109,496	12,270,083	$70,483
1877	4,424,616	12,700,627	595,335
1878	3,931,822	14,103,529	203,280
1879	5,421,205	12,579,968	1,394,068
1880	6,690,687	12,171,720	2,599,025
1881	6,256,024	16,380,248	3,815,560
1882	2,864,570	14,058,975	3,015,892
1883	2,290,665	11,134,526	4,544,919
1884	3,750,771	11,663,713	4,842,362
1885	3,643,646	10,444,409	4,451,632

It will be seen from this table that in 1875 we exported $1,506,000 worth of butter, and up to 1880 the exportation of that article increased, the value of that year's exportation being $6,690,000; but in 1885 we exported only $3,643,000 worth of the same commodity. Certainly an alarming decrease.

Our first exportation of oleomargarine was in 1876, in which year the value of the export was $70,000; but, as will be seen from the table to which I have called attention, the exportation has increased from year to year until in 1885 it amounted to $4,450,000. The final result of such a decrease in the shipments of butter and the continued increase of the exportation of oleomargarine is apparent to the most casual observer.

Mr. BROWNE, of Indiana. Was that $4,450,000 worth of exportation shipped as oleomargarine or as butter?

Mr. STRUBLE. No matter how shipped, the evident purpose of the shipper was to supply a demand for butter.

Mr. BROWNE, of Indiana. How then does it happen to be noted in the statistics as oleomargarine? [Laughter.]

Mr. STRUBLE. I presume the shipper was required to state the character of the goods shipped; but that does not in the least militate against my assertion that the shipments were intended to, and did, meet a demand for genuine butter.

Mr. Chairman, the men engaged in manufacturing and vending oleomargarine have not failed to present their side of this controversy, as members of the House well know. They have told us, through their circulars, of the purity and delicious quality of the compound, made in part of offensive substances and poisonous chemicals. They have enlarged upon the capital and men engaged in its manufacture, the cheapness of the product, and hence the injustice to the poor of a policy that would deny them so cheap an article, at the same time well knowing that in all the markets the vendors of oleomargarine have offered the same, not by its own name but always, unless prohibited by the terms of strict penal statutes, as butter. They have urged consideration of the enhanced price of cattle and hogs for slaughter and use in that business. And in a late circular, of date May 10, 1886, purporting to be issued by the Chicago Live Stock Exchange, one of the points made is in the following language:

> In this market prime fat cattle are worth at least $2 per head more than they would bring if the manufacture of these desirable articles of food were prohibited or burdened with unjust taxation and the materials now used in their manufacture were thus to be used in other channels.

That the price of fat cattle and hogs is a little higher by reason of this manufacture I will not controvert; it should be so; but the thousands of men and women engaged in butter-making on the farm and in the dairy are not all nor nearly all engaged in fattening cattle; and while they are interested in the price of fat cattle and hogs, they are also interested in their cows and the butter and cheese produced therefrom, and they know that the slight benefits resulting by reason of any real or imaginary advance in fat hogs and cattle are many times overbalanced by the immense loss in the decline of the value of milch cows and butter; and, sir, when the enhanced price of fat cattle is urged as an argument in favor of continuing the unrestricted manufacture of oleomargarine, it should be borne in mind that for years past men in no way connected with the farm—capitalists possessing money made at other vocations, men of leisure anxious to further increase their gains, and in many instances not particular as to methods—have been swarming the plains of Texas, the Indian Territory, Wyoming, Montana, and other States and Territories, with herds of cattle, in great measure supplying the home and foreign market, and to that extent encroaching upon the domain of the actual farmer.

Sir, from a recent careful examination into facts connected with the Indian Territory, I estimate that within her borders can be found not less than five hundred thousand cattle, owned by men who have invested their money in that business for speculation. This number is but a small portion of the vast aggregate to be found scattered over the

great plains of the West. And when it is remembered that these cattle are raised at but a nominal cost, and that neither they nor the capital invested in them are assessed for taxes, it will be seen that the cattle syndicates are on hand ready and anxious to receive any direct or indirect profits arising from the oleomargarine industry; and that they are the parties who are, in the main, benefited by this alleged increased value to fat cattle, by reason of the utilization of their fats in the manufacture of oleomargarine.

DECLINE IN VALUATION OF MILCH COWS AND DAIRY PRODUCTS.

Finally, upon the point of loss to the farmers by reason of the decline in the value of milch cows and dairy products in the State of Iowa alone, let me quote from the remarks on this bill made by my colleague [Mr. FREDERICK] on the 25th instant. I have no doubt of the correctness of his statements. He said:

Iowa has 2,613,063 head of cattle, of which 992,313 are cows, which have decreased in valuation in the last two years $10 per head, amounting to $9,923,130, on account of the manufacture of oleomargarine and butterine. A gentleman from Fort Dodge, Iowa, told me a few days ago that one year ago he bought cows for dairy at an average price of $36 per head; this year he again bought for the same purpose at an average price of $26 per head, showing an actual decrease of $10 per head. These are startling facts, and all on account of the fraud perpetrated by the manufacturers and dealers in the imitation of the dairy product. The dairy industry in the State, amounting to $13,797,327, has depreciated at least 20 per cent., amounting to $2,759,465; this, together with the depreciation in the price of cows, amounts to the fabulous sum of $12,682,595.

In view of these and other startling facts it is high time the friends of farmers and of the entire agricultural interests of the country should awake to the needs of the hour. We can not and must not contemplate an attack upon any lawful industry, even though it may come in direct competitition with the usual and natural products of the farm; but here is a case of fraud and deceit so administered as to threaten the overthrow of a long established and most honorable employment, and against this unnatural and deceitful occupation I have no hesitancy in declaring my hostility.

CONSIDERATION OF THE BILL FROM A PROTECTIVE STANDPOINT; APPEALS FROM EASTERN PROTECTIONISTS.

In view of the imminent peril to our butter interests, I further declare that, even if the very tenable objection to the manufacture and consumption of oleomargarine on the ground of detriment to health did not obtain—as it does—I am in favor of this bill from the standpoint of a protectionist; and, while regret must be experienced that such an occasion has arisen, for one I am grateful that the policy of American legislation in the interests of the entire people of the country has established a principle which can now, in a time of serious need, be invoked for the alleviation if not absolute protection of our agricultural communities.

Sir, ever since the protective principle was established as the settled policy of this country, gentlemen advocating that policy have not failed to appeal to the representatives in Congress from agricultural States to assist them in maintaining that principle against that other and, as I think, suicidal policy of free trade. They have maintained that, by protecting American labor and capital, not only the prosperity of manufacturing localities would thereby be attained, but that of the whole country as well; that, as a result of successful manufacture, large populations dependent upon agriculture for food and clothing would be built up and maintained in a healthy condition of consumption; and that these populations would demand, and be able to pay for, all the varied products of the farm and garden; and thus there would be generally diffused throughout the land the blessings of a system calculated to promote in large measure the general good; and, by so doing, afford striking illustration of the wisdom of that wise constitutional provision giving Congress the power to legislate for the general welfare of all the people.

Readers of our legislative history well know how, to a very considerable extent, the representatives from agricultural sections of the country have, through all these years, stood loyally by the protective policy, and that, too, when it was perfectly apparent that the immediate and direct benefits resulting from the policy accrued to the manufacturers, and the more remote and indirect, yet not less certain, to the farmers, and I firmly believe and assert in this presence as my earnest conviction that, if the protectionists of the East in this critical time with the farmers, stand loyally by the interests of the latter and accord to them the direct protection they now so much need—not from the avaricious foreigners only, but from the greedy, grasping, and insatiable money-makers within our own borders—they may be assured that the law of reciprocity will not be forgotten by the representatives of those who now ask for assistance.

The record of the discussion had upon this bill discloses that not all of the members from the protection States of the East are favorable to its passage; and, notwithstanding reference by my colleague [Mr. HENDERSON, of Iowa] has been made to the attitude of the eminent and venerable gentleman from Pennsylvania [Mr. KELLEY], I desire to express my regret that such as the latter and his equally venerable and distinguished colleague [Mr. CURTIN] are not able to see that this measure is in the interests of so large and important a number of the people of the United States that they could well support it, without being justly liable to the criticism either of voting to protect one meritorious industry as against another or of supporting a measure calculated to add to the cost of food products. Gentlemen representing manufacturing and laboring constituencies are perfectly justified in considering carefully and earnestly every measure bearing upon the question of cheap and wholesome foods. No one ought to interpose any objection to such a course, when the foods affected by proposed legislation are wholesome and not made and sold in fraud of an article of general use and when they have a well-known and clearly defined place in the established commerce of the world.

Will it be contended at this period of our history that the laboring men in manufacturing and commercial centers can not afford to buy, to an extent reasonable and necessary to comfort, the legitimate products of the farm—that they can not afford to buy a wholesome quality of genuine butter, and hence should be permitted to buy any substitute which may be had at lower prices than the genuine article? If these queries be answered in the affirmative, what becomes of the claim of the protectionists who so vehemently maintain that their economic principle, thoroughly carried out, begets conditions of consumption upon which the farmer may safely rely for a reasonably profitable disposition of his products.

Is the much-vaunted protection, then, a failure? Can it not be relied upon to supply a healthy demand for the commodities of agriculture? Must we concede that articles of food, cheaper than those which are the natural output of the farm and constituting a fraud upon the honest product, are necessary in order that laboring men may comfortably subsist? Mr. Chairman, I am not yet ready to give assent to such propositions. Rather let it be maintained that, if the manufacturers and capitalists will content themselves with adequate profits; if laboring men will devote themselves to toil with persistency and faithfulness, as they generally do; and if they are also willing to exemplify prudence, sobriety, and economy, all of them may and will be able to command a comfortable livelihood; and commanding that, will have the means with which to buy from the farmer and merchant a portion of every good and wholesome thing essential to comfortable existence.

Before passing from this reference to the position of the distinguished gentlemen from Pennsylvania just mentioned, Messrs. KELLEY and CURTIN, I take pleasure in calling attention to the candid and statesmanlike words of Mr. HISCOCK, of New York, Messrs. BAYNE and SCOTT, of Pennsylvania, and other Eastern protectionists, whose names are equally worthy of mention.

As a representative of a district the great majority of whose people are directly and deeply concerned in butter and dairy interests, I thank all these gentlemen for their outspoken and able utterances. The farmers of Iowa will not soon forget their friends in this Congress, and it is a satisfaction to me to know that among those standing firmly and loyally by their interests is a considerable number of the ablest and most persistent advocates of protection.

CONSTITUTIONALITY OF THE PROPOSED LEGISLATION.

I now desire to discuss, briefly, the constitutionality of the proposed legislation. Its constitutionality is clear upon at least three grounds:

1. The taxing power of the Federal Government.
2. The police power of that Government.
3. Jurisdiction of Congress over interstate commerce.

Hilliard on Taxation, section 85, says:

The taxing power is an essential attribute of sovereignty, and can only be abridged by positive legal enactment clearly expressed. (State *vs.* Newark, 2 Dutcher (N. J.), 519; Debolt *vs.* Ohio, 1 Ohio St., 563.)

The Supreme Court in McCulloch *vs.* Maryland, 4 Wheat., 428, used this language:

It is admitted that the power of taxing the people and their property is essential to the very existence of the Government and may be legitimately exercised * * * to the utmost extent to which the Government may choose to carry it. * * * The people give to their Government a right of taxing themselves and their property; and as the exigencies of Government can not be limited, they prescribe no limits to the exercise of this right, resting confidently on the interest of the legislator, and on the influence of the constituents over their Representatives, to guard them against abuse.

Desty, in his work on taxation, says:

One purpose of taxation sometimes is to discourage a business, and perhaps to put it out of existence; and it is taxed without any idea of protection attending the burden. This has been avowedly the case in some Federal taxes (Veazie Bank *vs.* Fenno, 8 Wall., 533). The taxes have nevertheless been sustained.

The case of Veazie Bank *vs.* Fenno, cited by Mr. Desty, was decided in 1869. An act of July 13, 1866, imposing a tax of 10 per cent. on all notes paid out by any State bank after August 1, 1866, and intended to act as a prohibition of such issuance, was held by the Supreme Court to be constitutional.

The court made use of this language:

The tax can not be held invalid for being so excessive as to indicate a purpose to destroy the franchise of the State banks.

Justice Woodbury, delivering the opinion of the court in Pierce *et al. vs.* New Hampshire (5 Wheat., 608), said:

But I go further on this point than some of the court, and wish to meet the case in front, and in its worst bearings. If, as in the view of some, these license laws were really in the nature of partial or entire prohibitions to sell certain articles, as being dangerous to public health and morals, it does not seem to me that their conflict with the Constitution would by any means be clear. Taking for granted that the real design in passing them is the avowed one (prohibition)

they would appear entirely defensible as a matter of right, though prohibiting sales.

Justice Story, in his work on the Constitution, book 1, pages 677, 678, says:

Nothing is more clear from the history of commercial nations than the fact that the taxing power is often, very often, applied for other purposes than revenue. It is often applied as a virtual prohibition; sometimes to banish a noxious article of consumption; sometimes as a suppression of particular employments.

Chief-Justice Marshall, in McCulloch vs. Maryland, before mentioned, says:

That the power to tax involves the power to destroy is a proposition not to be denied.

Alexander Hamilton, in his masterly essay upon manufactures, under the head "Prohibition of rival articles, or duties equivalent to prohibition," says:

This is another and an efficacious means of encouraging national manufactures. Of duties equivalent to prohibitions there are examples in the laws of the United States, and there are other cases to which the principle may be advantageously extended.

Under the taxing power there is no limit as to the amount which may be charged. It often happens in certain avocations that the power to tax is used in aid of the police power, either by devoting the fund to the payment of the police power, or by making the tax so high as to be in its nature prohibitory.—*Duroch's Appeal*, 62 Pa. St., 391.

Having considered briefly the extent of the taxing power of the Government, I wish to speak of its police power. And before entering upon a discussion of the general police powers of government, I desire to refer to the argument made during this debate by the gentleman from Georgia [Mr. HAMMOND].

Referring to Cooley's Constitutional Limitations, he attempted to show that the National Government has delegated all its police power to the several States. I do not agree with the honorable gentleman, but claim that in matters of foreign or interstate commerce the Federal Government can exercise full police powers. I quote also from the same distinguished author, at page 586:

Congress may establish police regulations as well as the States, confining their operation to the subjects over which it is given control by the Constitution. But, as the general police power can better be exercised under the supervision of the local authority, * * * the regulations which are made by Congress do not often exclude the establishment of others by the State.

The olice power delegated to the States was only intended to apply to matters of mere local concern, as is indicated by the court in Pierce *et al. vs.* New Hampshire, before cited:

The police power of the States was reserved to the States, but such police power extends to articles only which do not belong to foreign commerce or to commerce among the States.

Can it be claimed, upon reasonable grounds, that the manufacture and sale of oleomargarine throughout the United States is simply a local interest, affecting only the several States individually? Certainly not. It is an industry affecting interstate commerce. If the bogus butter manufactured in Armour's Chicago slaughter-pens were not sold outside of Illinois, and if none of the stuff were brought into the State from other States, its manufacture and sale within the limits of that State might properly be considered as wholly within the police jurisdiction of Illinois, and not a matter over which Congress could legislate. But the condition is contrary to fact. Oleomargarine is shipped from Chicago to all parts of the country; and, for anything there is to hinder, is shipped from different sections to Chicago.

Can the State of Illinois regulate this? Can she say to the honorable gentleman from Chicago [Mr. DUNHAM], "You must not ship this deleterious hog grease to the gentleman from New York [Mr. BEACH], lest you make him sick and thus the American Congress be deprived of the benefit of his timely objections?" Can she say to the gentleman from Philadelphia [Mr. KELLEY], "We will have no more of your brotherly love sham butter?" The State of Illinois possesses no such authority. She could properly prohibit the manufacture within her borders of any article she saw fit to prohibit; but she could not prevent her markets from being flooded by the same articles manufactured in other States, except as I shall state further on.

Mr. Story says, on page 227, volume 1, of his Constitutions:

It is obvious that it (the power of taxation) is an incident of sovereignty and is coextensive with that to which it is an incident. All subjects over which the sovereign power of a State extends are objects of taxation; but those over which it does not extend are, upon the soundest principle, exempt from taxation. The sovereignty of a State extends to everything which exists by its own authority or is introduced by its permission.

Does the sale and exchange of oleomargarine or any other product, between the different States through the usual channels of interstate commerce, derive their authority from, or are they introduced by, the permission of the individual States? Let Mr. Story answer:

Those powers are not given by the people of a single State. They are given by the people of the United States to a Government whose laws, made in pursuance of the Constitution, are declared to be supreme. Consequently the people of a single State can not confer a sovereignty which will extend over them.

Where then would be the remedy of Illinois against this obnoxious importation? The regulation of commerce between the different States is expressly prohibited to the States by the Federal Constitution:

No State shall, without the consent of Congress, lay any imposts or duties on imports or exports, except what may be absolutely necessary for executing its inspection laws; and all such laws shall be subject to the revision and control of Congress.

This wise prohibition was designed to prevent the conflict of interests which would certainly arise between the different States were they allowed this latitude in legislative authority. And not only is this right denied to the State, it is expressly reserved to the Federal Government:

The Congress shall have power—

3. To regulate commerce with foreign nations, and among the several States, and with the Indian tribes.

Here is the remedy for Illinois. Here is the police power which must be exercised in order to make her own regulations of any effect against importation from other States.

True, Illinois has the right to prohibit the importation of any articles declared by her laws to be deleterious to public health or against good morals, because such articles, in that they are held by her to be deleterious and pernicious, concern her most vitally, and are not considered within the purview of "commerce among the States," as contemplated in Pierce and others *vs.* New Hampshire, before cited. Under such circumstances the police power of a State is, of course, able to prohibit the importation of oleomargarine; but the lack of uniformity which would exist between the different States, in their views of this product, would make the exercise of the police power of the General Government much more efficacious than the exercise of that power on the part of the State.

On the other hand, if the product is viewed simply as a subject of interstate commerce and it is not declared by the State to be deleterious, the State of Illinois, in the illustration before used, has no remedy in herself.

This power of the Federal Government is constantly acknowledged; and, in a short time, will be acknowledged on this floor, in the discussions upon the interstate-commerce bill. Whenever this power has been appropriated by the States, the Supreme Court has, without exception, decided that such action was an unwarranted assumption of power residing exclusively in the Federal Government. The case of Gibbon *vs.* Ogden, 9 Wheat., 1, is a leading one upon this point.

Mr. Desty says again:

The appropriate regulation of the use of property is not a "taking it," within the meaning of the Constitution (R. R. *vs.* Richmond, 96 U. S., 521). So occupations requiring special regulation are subject to the police power (Cincinnati *vs.* Bryson, 15 Ohio, 625; Nightengale's case, 11 Pick., 168), as the sale of inflammable materials (U. S. *vs.* DeWitt, 9 Wall., 41). So the Legislature may prohibit a dangerous business (Kirby *vs.* Pa. R. R. Co., 76 Pa. St., 506; People *vs.* Hawley, 3 Mich., 330), as the sale of opium (State *vs.* Ah Chew, 16 Nev., 50); or may regulate the sale of any commodity the use of which would be detrimental to the morals of the people (State *vs.* Gurney, 37 Me., 156). And a penalty prescribed for the sale of dangerous articles is a constitutional exercise of the police power (State *vs.* Burgoyne, 7 La., 173).

Justice McLean, in the license case of Thurlow *vs.* Commonwealth of Massachusetts, says:

The acknowledged police power of a State extends often to the destruction of property. A nuisance may be abated. Everything prejudicial to the health or morals of a city may be removed.

Merchandise from a port when a contagious disease prevails, being liable to communicate the disease, may be excluded and, in extreme cases, it may be thrown into the sea.

This comes in direct conflict with the regulations of commerce, and yet no one doubts the power. It is a power essential to self-preservation and exists, necessarily, in every organized community. It is indeed the law of nature, and is possessed by man in his individual capacity.

Individuals, in the enjoyment of their own rights, must be careful not to injure the rights of others. These exceptions are always implied in commercial regulations, when the General Government is admitted to have the exclusive power.

Certainly whatever discriminations are made in taxation ought to be in the direction of making the heaviest burdens fall upon those things which are obnoxious to the public interests. (Youngblood *vs.* Sexton, 32 Mich., 426.)

Walker's Science of Wealth adds this to Adam Smith's four cardinal rules of taxation:

V. The heaviest taxes should be imposed on those commodities the consumption of which is especially prejudicial to the interests of the people.

Thus we see that both the taxing and police powers of the Federal Government are broad enough to cover this proposed legislation, while as a regulation of interstate commerce it is within the national authority, being at the same time denied to and impossible of accomplishment by the States individually.

It may be argued by the friends of oleomargarine that, if their industry can be thus taxed in order to protect the dairy interests, the sorghum interests of the Northwest can be taxed to protect the sugar-cane of Louisiana. I can see no point to the comparison. As well might it be said that the maple sugar of Vermont and New Hampshire trenches upon the rights of the Louisiana industry as to hold that sorghum in any way infringes upon the rightful domain of sugar made from the Louisiana cane. Maple sugar and sorghum are not imitations of the Louisiana sirup. They are not compounded of a minimum amount of the latter article added for the sake of flavoring, and a maximum amount of an apothecary's stock, put together in some mysterious way, to take the place of the genuine article in the markets, but not designed for nor capable of supplying the food qualities of the Southern cane. Maple sirup, sorghum, and sugar cane are independent food products, neither infringing upon the others any more than wheat infringes upon corn. In their simplest manufactured state, without the addition of any foreign article or the skillful manipulations of the chemist, they are fundamentally, wholly, and independently articles of food without addition, subtraction, or adulteration.

How absurd, then, to compare either of these products with a com-

pounded article acknowledged to be mainly composed of ingredients which are not food products, or those of an inferior, deleterious, and nauseating kind—refuse and offal—which have served their purpose and been relegated, by the decent sense of mankind, to the dung-heap.

Mr. Chairman, I have extended my remarks to a greater length than may have been necessary; but my apology, if any were due, would be the plea that I stand here as the representative of two hundred thousand people whose interests in all matters touching propositions of national legislation I am, for a brief time, under my solemn oath of office to subserve.

Oklahoma.

What political development lies before the Indians of the Indian Territory it is impossible to foresee; but one thing is evident, *the idea of maintaining permanently an imperium in imperio, such as now exists, must*, in some respects, *be abandoned*. The idea of Indian nationality is fast melting away, and the more intelligent Indians are themselves awaking to that fact. In a word, the Indians in the Indian Territory must sooner or later break up their tribal relations, take their lands in severalty, and to all intents and purposes become citizens of the United States, and be amenable to its laws, as well as enjoy all of its high and distinguished privileges. When that is done they will be prepared to dispose of the surplus lands they may own to the best advantage to themselves, and in a spirit *pro bono publico*.—*Hon. J. D. C. Atkins.*

SPEECH

OF

HON. ISAAC S. STRUBLE,

OF IOWA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 3, 1886.

The House being in Committee of the Whole on the state of the Union for debate on the bill (H. R. 7217) to provide for the organization of the Territory of Oklahoma, and for other purposes—

Mr. STRUBLE said:

Mr. CHAIRMAN: The bill now under consideration is indeed one of the most important measures that have been before this Congress. It is a measure that merits the most careful consideration at our hands. There are very serious questions involved, some of which have been suggested by the gentleman from Louisiana [Mr. KING] who has preceded me, questions in reference to the obligations of the Government, not only with respect to treaties with the Indians but in relation to our whole Indian policy, questions not only regarding the Indian policy but concerning the interests of thousands of the people of this country who are still without homes and who are desirous of availing themselves of the advantages of our liberal and beneficent land system.

Sir, as I look at this Indian Territory and contemplate its present condition, I think the American people are to be congratulated that there exists to-day but one such Territory to plague and baffle the legislators of the present and reflect upon and measurably impeach the wisdom and foresight of the statesmen of the past.

I maintain, sir, that the present anomalous condition of this Territory is a complete assurance that the statesmen of the earlier days entertained a very inadequate conception of the future growth of this country.

It is evident that at the time the policy of settling Indians on territory west of the Mississippi was first projected it was not thought possible, and could hardly have been foreseen by even our wisest statesmen, that the vast plains of the far-away West would ever become, as now, the permanent homes of millions of prosperous and happy citizens of the Republic; that the barren plains of the great American desert would become the garden of the New World. Nevertheless, I can not refrain from expressing my astonishment that the able legislators, who not only laid the foundations of our present Indian policy but assisted in carrying the same into effect, should have so legislated in relation to any of the aboriginees of this country that the time would ever come, when in the very heart of the Republic there would be found an empire capable of sustaining millions of people yet reserved for the exclusive occupancy of outlaws, cowboys, cattle, and about fifty thousand Indians.

And, sir, I am still more astonished that our past legislators should have allowed a system to grow up under which this remnant of Indians can claim, as they do most persistently, exclusive ownership to such a vast domain; and not only this, but these Indians confront the American Congress and people with the assumption that henceforth and forever they are to constitute a body of people wholly independent of all power and control of the great Government which, over every other foot of soil within its territorial boundaries, is supreme; and they assert that, by virtue of most solemn treaty stipulations, this Government—not only as to such lands as they have never ceded back to the United States but as to every foot included within the limits of the Indian Territory—can never include either themselves or any of these lands within the juristiction of any State or Territory.

The Government, influenced by the urgent requests of the Indians, no doubt firmly believed that by securing their removal to a country more adapted to their wants and tastes, and not liable (as was then thought) to the encroachments of civilization, the unhappy conflicts between civilization and barbarism, which had disturbed the peace of the States, would never be repeated; but it does seem that the importance of asserting and maintaining the supremacy of the Federal authority, both political and judical, over every foot of our national domain should have been uppermost in the minds of those who were shaping the destinies of this nation.

But time will not permit of an extended reference to the history of our Indian policy.

What is the situation with which the majority of the House Committee on Territories recommend that Congress shall deal?

This bill presents for our consideration the question whether a serious and persistent attempt, by amicable arrangement, shall be made to secure for the use of any and all citizens of the land who may be desirous of seeking homes so much of the present Indian Territory as lies west of that portion now in actual occupancy by the "five civilized tribes," regard being had and provision being made for the smaller tribes now occupying the Territory by virtue of executive orders.

I beg leave to incorporate the bill, at this point, in my remarks:

Be it enacted, &c., That all that part of the United States included within the following limits, except such portions thereof as are hereinafter expressly exempted from the operations of this act, to wit: Bounded on the west by the State of Texas and the Territory of New Mexico; on the north by the State of Colorado and the State of Kansas; on the east by the State of Missouri and the State of Arkansas; and on the south by the State of Texas, comprising what is known as the Indian Territory and the Public Land strip, is created into a temporary government by the name of the Territory of Oklahoma: *Provided*, That nothing in this act shall be construed to impair the rights of persons or property or to impair any patent to lands now pertaining to the Indians in said Territory under the laws and treaties of the United States, or to include any territory occupied by any Indian tribe to which title has been conveyed by patent from the United States, without the consent of said tribe, or any territory which by treaty or agreement with any Indian tribe is not, without the consent of said tribe, to be included within the territorial limits or jurisdiction of any State or Territory; but all such territory shall be excepted out of the boundaries and constitute no part of the Territory of Oklahoma until said tribes shall signify their assent to the President of the United States to be included in the said Territory of Oklahoma, except for judicial purposes as provided herein, or to affect the authority of the Government of the United States to make any regulation or enact any law respecting such Indians, their lands, property, or other rights, which it would have been competent to make or enact if this act had never passed.

SEC. 2. That there shall be a governor, secretary, Legislative Assembly, supreme court, attorney, and marshal for said Territory, who shall be appointed and selected under the provisions of title 23, chapter 1, of the Revised Statutes of the United States, relating to the government of all the Territories. The provisions of said title shall have the same force and effect in the Territory of Oklahoma as in other Territories of the United States: *Provided*, That the Legislative Assembly and Delegate to the House of Representatives shall not be elected until the President shall order: *Provided further*, That no person shall be entitled to vote at the first election, or to be elected to any office, who has not been a *bona fide* resident of said Territory for sixty days previous to said election: *And provided further*, That the council in said Territory shall consist of thirteen members, and the house of representatives shall consist of twenty-six members, which may be increased to thirty-nine.

SEC. 3. That the Constitution and all laws of the United States which are not locally inapplicable shall have the same force and effect in said Territory of Oklahoma as elsewhere in the United States: *Provided*, That nothing in this act shall be construed to interfere with the local governments of any of the Indian tribes which may now be provided for by the laws and treaties of the United States, or which may exist in conformity thereto: *And provided further*, That the supreme court of the Territory shall fix the times and places, within the limits of the area occupied by the five civilized tribes, at which courts shall be held; and the jurisdiction of the courts held therein shall embrace all causes of action, crimes, and offenses arising in the Indian Territory heretofore cognizable in the United States courts of the western district of Arkansas, in the district of Kansas, and the northern district of Texas; and all laws heretofore passed granting jurisdiction to said United States courts within the Indian Territory are hereby repealed; but cases now pending shall be prosecuted to their final disposition therein, the same as if this act had not been passed.

SEC. 4. That the section of country lying between the States of Kansas, Colorado, and Texas, known as the Public Land strip, is hereby declared to be a part of the public domain of the United States, and shall be opened to settlement under the operation of the homestead laws only: *Provided*, That the sixteenth and thirty-sixth sections of said lands shall be reserved for school purposes.

SEC. 5. That whenever the Creek and Seminole tribes of Indians shall signify their assent to the provisions of this section, in legal manner, to the commission provided for in this act, and the President has issued his proclamation fixing the time as provided herein, the unoccupied lands ceded to the United States by said tribes under the treaties of June 14, 1866, and March 21, 1866, shall be opened to settlement, except the sixteenth and thirty-sixth sections, which shall be reserved for school purposes, and shall be disposed of to actual settlers only, in quantities not to exceed 160 acres, in square form, to each settler, at the price of $1.25 per acre. All persons who are heads of families or over twenty-one years of age, and who are citizens of the United States, or who have declared their intentions to become such, shall be entitled to become actual settlers on such lands. An accurate account shall be kept by the Secretary of the Interior of the money received as proceeds of the sale of said lands. The commission hereinafter created by this act is hereby authorized to confer with the Creeks and Seminoles to determine whether said Indians are entitled to any further compensation for said unoccupied lands. If said commission shall agree that further compensation should be paid said Indians, they may fix the amount of such additional compensation, not to exceed the sum of $1.25 per acre, less the cost of sale and amounts heretofore paid said tribes in the purchase of said lands, and any additional sum agreed upon by said commission to be paid said tribes for said lands, as provided herein, shall be placed to the credit of such tribes on the books of the Treasury.

SEC. 6. That whenever the Cherokee tribe of Indians shall signify their assent to the provisions of this section, in legal manner, to the commission provided for in this act, and the President has issued his proclamation fixing the time as herein provided, the unoccupied portion of the lands west of 96° of longitude, agreed to be ceded to the United States by the said tribe of Indians by the treaty concluded July 19, 1866, shall be opened to settlement, excepting the sixteenth and thirty-sixth sections, which shall be reserved for school purposes,

and shall be disposed of to actual settlers only, in quantities not to exceed 160 acres, in square form, to each settler, at the price of $1.25 per acre. All persons who are heads of families or over twenty-one years of age, and who are citizens of the United States, or who have declared their intention to become such, shall be entitled to become actual settlers on said lands. An accurate account shall be kept by the Secretary of the Interior of the money received as proceeds of sale of said lands, and said money shall be placed to the credit of the Cherokee Indian tribe on the books of the Treasury, after deducting the cost of sale by the United States, and the amount heretofore appropriated and paid to the Cherokee tribe as part compensation for said unoccupied lands: *Provided*, That nothing in this act shall be construed to authorize any person to enter upon or occupy any of the lands mentioned in this or the preceding section, for the purpose of settlement or otherwise, until after the Indian tribes mentioned and the commissioners herein authorized have concluded an agreement to that effect as provided herein, and laid the same before the President of the United States, who is thereupon authorized to issue his proclamation declaring such relinquished lands open to settlement, and fixing the time from and after which such lands may be taken. Any person who may enter upon any part of such lands contrary to the provisions of this act, and prior to the time fixed in the President's proclamation, shall not be permitted to make any entry upon such lands or lay any claim thereto; and satisfactory proof shall be required by the Commissioner of the General Land Office to the effect that this provision has not been violated by the claimant to any of such lands. Any person violating the provisions of this section shall hereafter be ineligible to take any homestead or make any entry of lands in said Territory of Oklahoma.

SEC. 7. That the President may, at such times as he may deem it necessary, direct a land-office to be opened in the Territory of Oklahoma, and may nominate and, by and with the advice and consent of the Senate, appoint the usual officers to conduct the business of said land office; and the Commissioner of the General Land Office shall, when directed by the President, cause the various portions of said lands to be properly surveyed and subdivided, where the same has not already been done. It is hereby made the duty of the Commissioner of the General Land Office to carefully examine each claim taken under the provisions of this act before issuing a patent to the claimant; and if it shall appear that said claim was not taken in good faith, he shall refuse a patent, and declare all prior proceedings before had in such case to be null and void; and all persons settling on said lands under the provisions of this act shall be required to maintain a continuous personal residence of five years before obtaining title thereto, agreeably to the provisions of the homestead laws; but payments for said lands may be made in installments, under such rules and regulations as may be prescribed by the Secretary of the Interior.

SEC. 8. That the President of the United States is hereby authorized and directed to nominate and, by and with the advice and consent of the Senate, appoint a commission to be composed of five persons, whose duty it shall be to enter into negotiations with the several Indian tribes within the limits of Oklahoma Territory, for the purpose of procuring the assignment of lands in severalty and the purchase by the United States of the relinquished and unoccupied lands. The powers and duties of said commission shall, under the direction of the President, extend to all matters relating to the settlement of the Indians on other lands or reservations than those now occupied by them, and to their education, civilization, and citizenship. The commission is authorized to enter into such agreements with the Indian tribes as it may deem necessary to accomplish the purposes of this act, and to submit the same, through the President, for the action of Congress. The compensation of the members of said commission shall be at the rate of $3,000 per annum, and not more than three of whom shall be members of one political party. They shall also be allowed, in addition thereto, their actual necessary traveling expenses, stationery, and postage. They shall have power to appoint a secretary, who shall receive an annual compensation of $1,800, and such allowances for traveling expenses as he may actually incur.

SEC. 9. That it shall be unlawful for any person, for himself or any company, association, or corporation, to directly or indirectly procure any persons to settle upon any lands opened to settlement by this act, with a view to their afterward acquiring title to said lands from said occupants; and the parties to such fraudulent settlement shall severally be guilty of a misdemeanor, and shall be punished, upon indictment, by imprisonment not exceeding twelve months, or by fine not exceeding $1,000, or by both such fine and imprisonment, in the discretion of the court.

SEC. 10. That all leases of lands belonging to the United States or held in common by any of the Indian tribes within the Territory of Oklahoma, as organized by this act, including the Cherokee strip west of the ninety-sixth degree of longitude, whether controlled by persons, corporations, or others, except such leases as are held for the purpose of cultivating the soil strictly for farming purposes, are hereby declared void and contrary to public policy; and it is hereby made the duty of the President, immediately after the passage of this act, to cause the lessees of said lands, or persons illegally occupying the same, to be removed from said lands.

SEC. 11. That the act of Congress approved July 27, 1866, which incorporated the Atlantic and Pacific Railroad Company, and the act of Congress approved July 25, 1866, granting lands to the State of Kansas to aid in the construction of the Kansas and Neosho Valley Railroad and its extension to Red River, and an act of Congress granting lands to the State of Kansas to aid in the construction of the Southern Branch of the Union Pacific Railway, and a telegraph, from Fort Riley, Kans., to Fort Smith, Ark., approved July 26, 1866, or any other acts of Congress so far as they relate to lands granted in said Indian Territory and the Public Land strip, except for the right of way and necessary stations, as now provided for by law, are hereby repealed; and any or all right to said lands is hereby forfeited to the United States; and no railroad company now organized, or hereafter to be organized, shall ever acquire any lands to aid in the construction of its road, or in consequence of any railroad already constructed, either from the United States, or from any Indian tribe, or from any Territorial government or State Legislature within the limits of said Indian Territory.

The following amendments were recommended by the committee:

In section 11, line 14, after the word "stations," insert "as far as said roads may now be completed."

At the end of the bill add the following amendment:

"SEC. 12. That neither the Legislative Assembly of said Territory nor any county, township, town, or city therein shall have power to create or contract any indebtedness for any work of public improvement, or in aid of any railroad constructed or to be constructed, nor to subscribe for or purchase any shares of stock in any railroad company or corporation."

NATURAL RESOURCES OF THE INDIAN TERRITORY AND PUBLIC-LAND STRIP.

Here, in the very center of the Republic, surrounded on all sides by a teeming and prosperous civilization, lies a territory which, including the Public Land strip, is larger than any State east of the eastern line of that territory, except the single State of Minnesota; a vast and beautiful tract of prairie and timber country, well watered by creeks and rivers, with a climate unsurpassed, a soil possessed of all the qualities for successful agriculture and stock-raising; with inexhaustible beds of coal, salt, and other minerals; with abundant water-power and navigable rivers bordering and running into the Territory—in short, a land possessing all the elements for a great and prosperous commonwealth.

Sir, one of the peculiarities attending the opposition to this bill is the persistency with which those who favor the indefinite continuance of the present state of barbarism in the Indian Territory attempt to convince this body that that country is a sandy, worthless expanse, hardly capable of sustaining its present scanty population of Indians, cattlemen, and outlaws.

Travelers are daily passing through that country, and their reports only confirm what is known throughout the West—that the Indian Territory is the garden of the western part of the Mississippi Valley.

Hon. J. D. C. Atkins, Superintendent of Indian Affairs, has spent several weeks in that Territory, going all through it and making a careful investigation of its resources, and his statements upon the subject confirm in every particular the general opinion of the wonderful productiveness and natural wealth of that region. Here is the testimony which he gives upon page 9 of his report for 1885:

The Indian Territory has an area of about 64,222 square miles, or about 41,102,280 acres. It is situated between the Arkansas (Red) River and the thirty-seventh degree of north latitude, and nearly in the center of the United States east and west. Its climate is delightful and its resources almost unbounded. While there are some poor lands within its limits, yet taken as a whole it is hardly excelled in its natural resources by any other portion of the United States of the same extent. Its soil is adapted to the raising of all the cereals, and cotton is cultivated with profit in some portions of the Territory, and its grazing resources and adaptability to raising stock are unexcelled. It has an abundance of water, with timber in different portions in limited quantities, while an abundance of coal of good quality is found.

The resources of the Public Land strip, or No Man's Land, as it is frequently called, and which our opponents are disposed to hold up to ridicule as an insignificant, sandy cactus patch, is thus described by a reliable party in the Chicago Inter Ocean:

I have been all over Pennsylvania, Ohio, and Indiana, much of Illinois and Kansas, and in deference to truth must say I have never seen so fine and compact a body of farm land as in No Man's Land. It is covered with buffalo grass of the very best quality. There is little or no sand excepting along the bluffs of the Beaver or North Canadian River, and these are confined to the eastern part. There is also some sand along the river bottom adjoining the Indian Territory. Farther up the bottoms are as fine lands as can be found, and are from 1 to 3 miles wide. There is not a particle of saline efflorescence on any of the high-lands, but in the bottoms of the eastern part there is some, but not more than is found on many streams in Kansas. Two-thirds of the bottom lands are of the best grade. There are very few cacti and yuccas to be found in the country—less than in Southern Kansas. The country is being rapidly taken, and will all be settled upon in the near future. Cattle-men, who have occupied this magnificent domain for years, now spread false reports in regard to it to keep settlers out, but it will all be taken within a year. Several towns have been laid out in it.

TOTAL AREA OF INDIAN TERRITORY AND PUBIC-LAND STRIP.

There are embraced within the limits of the Indian Territory and the Public Land strip 44,774,920 acres. This would afford 160 acres each to 279,843 families. Allowing four persons to a family, we find that the Indian Territory would support a purely agricultural population of 1,119,372; but so far we have made no calculations upon the town population, which would doubtless nearly double that of the rural districts.

The census of 1880 shows that in the States of Iowa, Nebraska, Kansas, Missouri, and Texas about 60 per cent. of the population were engaged in agriculture, and it is probable that Oklahoma would have about the same proportion. Therefore two million five hundred thousand is a moderate estimate of the number of people which the Indian Territory is capable of supporting, basing our calculation upon the density of population in other States of the West.

AREA OF LANDS WEST OF FIVE CIVILIZED TRIBES.

I wish now to call attention briefly and somewhat in detail to that part of the Territory west of the five civilized tribes, that portion which can, under the provisions of this bill, be made available to the occupancy of white people.

First. Let me refer to Oklahoma proper, containing 1,887,800 acres, an area two and one-half times that of Rhode Island. If divided into farms of 160 acres each, there will be 11,798 farms; and, estimating four persons to a farm, that famous country alone would support an agricultural population of 47,192, or a general population of 100,000. No Indian has had the right to occupy or settle on any of these 1,887,800 fertile acres since the Creeks and Seminoles, in 1866, sold that country to the United States. No Indian ever claimed an acre of that land; and to-day it is entirely overrun, as I shall prove further on, by the cattle of non-resident corporations.

Second. The Choctaw and Chickasaw "leased lands," as they are called, together with the land to the north of the Canadian River and occupied by the Cheyennes and Arapahoes, the whole situated in the southwest part of the Indian Territory and comprising over 8,000,000 acres, an area ten times the size of Rhode Island, and as large as the combined area of Massachusetts and Connecticut. Upon the same basis of calculation as I used in connection with Oklahoma, that country would divide into 50,000 farms, with a farming population of 200,000 and a general population of over 400,000. It is now occupied solely by about 6,000 blanket Indians (half of whom are there only during ex-

ecutive pleasure). This magnificent stretch of country was bought of the Choctaws and Chickasaws in 1866.

Third. The country held under executive order by 527 Tonkawas, Iowas, and Kickapoos, and embracing 534,884 acres, which would make 3,343 farms of 160 acres each.

Fourth. The Cherokee outlet of 6,022,844 acres, or 37,642 160-acre farms, supporting 150,000 farmers, or a general population of 400,000. This fertile tract, larger than the State of New Jersey and larger than seven Rhode Islands, is fenced in with wire fences by about one hundred different cattle companies, some of them controlled by foreign capitalists. Neither Indians nor whites, except cowboys and traders, are allowed to settle upon those lands.

Fifth. The Public-Land strip or "panhandle" of 3,672,640 acres. This area, upon our former calculations, would make 22,954 160-acre farms and support a farming population of 91,000, or a general population of 200,000. Over this tract of country there is no government nor court jurisdiction. Every man is a law unto himself. Here the criminal is safe from the demands of justice, for no officer of any court has any right to arrest men there.

There are no Indians in Oklahoma, the Cherokee Outlet, or the Public Land Strip. Thus it will be seen that the half of the Indian Territory, over which this bill proposes to extend the benefits of a civilized government, is in the possession of cattle-men, fugitives from justice, and only about 7,000 Indians, supported by the Government, and mostly wearing citizens' clothes, though generally denominated "blanket" Indians.

Now, Mr. Chairman, I think it is high time that something be done to change the anomalous condition of affairs in this Territory. And, while this bill proposes throughout to recognize every treaty obligation by which this Government is bound, while it not only proposes to do that but to send a commission to examine carefully into all the questions relating to the rights of these Indians in order that equity and justice may be done, yet I insist that it is the duty of this Congress to provide the means, and the duty of this administration to see that those means are carried into execution, by which these vast plains of excellent land may be opened to the occupancy of the poor people of this country. We all know very well that every vocation in life is crowded. All the fields of labor are occupied. We are aware of the distress that has prevailed, and now prevails, throughout all of our labor avocations.

In the face of this gigantic labor problem which now confronts us, it seems to me that one of the wisest things that can be done to bring relief to these laboring people, crowded and oppressed as they are, is to open to them this desirable public domain that they may go in, occupy and possess the land, establish homes, rear their children, and surround themselves as quickly as may be with the influences of the same civilization which is now enjoyed throughout the Western States—but a few years ago as wild as this territory of which I am now speaking.

NEEDLESS SURPLUS OF LANDS HELD BY THE INDIANS.

I now wish to call the attention of the committee to a table which I have prepared, giving the population, acreage, and per capita holdings of the different Indian tribes in the Indian Territory, together with the surplus land remaining in each reservation, after allowing each Indian, man, woman, and child, 160 acres:

Name of tribe.	Population.	Acreage of reservation.	Acreage per capita.	Acreage required by Indians, allowing them 160 acres for family of four.	Surplus.
Cherokee	23,000	5,031,351	218½	920,000	4,111,351
Creek	14,000	3,040,495	217¼	560,000	2,480,495
Seminole	3,000	375,000	125	120,000	255,000
Choctaw	18,000	6,688,000	371½	720,000	5,968,000
Chickasaw	6,000	4,650,935	775⅝	240,000	4,410,935
Quapaw	52	56,685	1,095	2,080	54,615
Peoria	149	50,301	337½	5,960	44,341
Ottowa	117	14,860	127	4,680	10,180
Wyandotte	251	21,406	85½	10,040	11,366
Shawnee	69	13,048	189	11,040	2,008
Seneca	239	51,958	217½	38,240	13,718
Osage	1,552	1,470,059	947½	62,080	1,407,979
Kansas (Kaw)	225	100,137	440½	9,000	91,137
Pawnee	1,045	283,120	270⅝	41,800	241,220
Sac and Fox	457	479,667	1,049½	18,280	461,387
Pottawatomie	550	575,877	1,047	22,000	553,877
Tonkawa	92	100,000	1,087	3,680	96,320
Ponca	574	101,894	177½	8,610	93,284
Otoe and Missouria	266	129,113	485½	10,640	118,473
Iowa	89	228,418	2,566½	3,260	225,158
Kickapoo	346	206,466	596⅔	14,590	190,876
Cheyenne and Arapaho	3,609	4,297,771	1,193⅓	144,160	4,153,611
Wichitaw	189	743,610	3,900	7,560	736,050
Kiowa, Comanche, and Apache	3,032	2,968,893	979	121,280	2,847,613
Cherokee Outlet	(*)	6,022,844			
Public Land strip	(*)	3,672,640			
Total	76,903				28,578,990

* No Indians.

Several minor tribes are not mentioned in these tables.

These statistics of population are probably greatly exaggerated, besides embracing several thousand "white Indians" and white laborers who work for the Indians, and 6,000 manumitted slaves. Robert L. Owen, United States Indian agent at Union agency, Muscogee, Ind. T., in his report for 1885, estimates that there are among the five civilized tribes alone 5,000 white Indian citizens and 17,000 farm laborers. John Q. Tufts, United States Indian agent at same place, for the year preceding (1884) reports that there were at the date of his report 16,000 white laborers among these five tribes.

Not only do these estimates embrace a large number of mixed breeds (and it should be borne in mind that any one who can prove the slightest trace of Indian blood is reckoned an Indian by the Indians themselves and the agents) and white citizens, by adoption or marriage, and white laborers residing in the Territory upon Indian permits, but the census returns are "stuffed" to make the aggregate number appear larger than it really is. An illustration of this is shown in the case of the Cheyennes and Arapahoes.

For several years exaggerated returns of the number of these Indians have been forwarded to the General Government by those who are interested in receiving and handling supplies for a larger number than really exists; but when General Sheridan, in August last, made an official count of those two tribes they fell below previous reports about 40 per cent. The count of General Sheridan is embodied in the annual report of the Commissioner of Indian Affairs, from which we have compiled this table; but General Sheridan not having made an "official count" of any other tribes than these two, it is to be presumed that the estimates for the population of those other tribes are from 25 to 40 per cent. too large.

Not only are these returns exaggerated, but the Indians are decreasing in numbers, as is evidenced by the reports of different Indian agents. Mr. Tufts, before quoted, under date of August 29, 1884, writes:

> The number of full-blood Indians is decreasing, while the increased number of mixed-bloods and the adopted white and colored citizens make the population about the same from year to year.
>
> The number of whites is increasing. The cause of this increase is, that the work done in the country is by whites and not by Indians. The mixed-bloods will work some, but the full-bloods hardly ever. Under the laws of the country a citizen is entitled to all the land he may have improved. An arrangement is easily made with a white man who will make a farm for an Indian and give him a portion of the crop for the use of his name, and after a few years give him possession of the farm. Thus it is that more farms mean more white men. The number of whites within this agency, who are laborers for Indians, employés of railroad companies, licensed traders, pleasure seekers, travelers, and intruders, must be about 35,000, or half the number of Indians.

Sir, what a startling monopoly in land do these figures reveal! Such a showing is enough to make a board of railroad directors turn pale with envy. No wonder the Indians are satisfied with their condition. Thankfulness to the great Manitou should fill their impecunious souls as they contemplate their proud position of the richest landed aristocracy in the world.

General Sheridan in his annual report says on the subject:

> The Indians are the richest people in this country as communities. Their reservations include some of the best land, and if divided among the heads of families each family would have thousands of acres. If I may be permitted to suggest, I would recommend that each family be given and located on the 320 acres now provided for them by law in case of actual settlement. The Government should then condemn all the balance of each reservation, buy it in at $1.25 per acre, and with the proceeds purchase Government bonds, to be held in trust by the Interior Department, only giving to the Indians each year the interest on the bonds for their support. Let this money, if you please, be disbursed the same as the money appropriated each year by Congress. * * * It would be their own money, and take the question of annual appropriations for them out of Congress.
>
> Take the Cheyenne and Arapaho Indians as an example. They have nearly 4,300,000 acres; 200,000 would settle them in severalty, and the 4,100,000 remaining, if purchased by the Government in the manner described, would yield an annual interest sufficient for their support.
>
> The same plan could be extended to cover most of the Indian reservations in the country.
>
> I only propose that the Government should buy these land for simplicity and safety. Settlers and speculators would buy them and take them at the average of $1.25 per acre. Some of them are now worth eight or ten dollars per acre. In this way the Indians would have perpetual security in the principal until Congress chooses to give it to them to be used as they may see fit. The Government would lose nothing, and the Indians would only be getting the value of their property safely invested. The Indians are not poor; they are only incompetent at the present time to take care of their own property, and therefore require looking after. The treaties we have made with them might interfere with the condemnation and purchase of these lands by the Government, but Congress could easily devise some means of overcoming this difficulty.

This monopoly of lands by the Indians has not resulted in good, even incidentally, to any one except cattle syndicates and outlaws, who have grown fat upon the rich pickings which the Indians could not appropriate, but which they were unwilling to share with, or dispose of to, the honest, but homeless and starving poor of their less favored pale-face brethren.

Mr. Chairman, I should consider myself guilty of the most glaring inconsistency if, after taking the strong grounds which I have in favor of the forfeiture of all unearned railroad land grants, I should be blind to the evils arising from this vast alien appropriation of land in the Indian Territory.

Sir, when I entered upon the study of this question I confess to have entertained something of the old idea, taught us in our youth and now rehashed for our maturer minds by the agents of the cattle syndicates and honest but sometimes misguided philanthropists, that the Indians have ever been the victims of the greedy white men; that Uncle Sam has always ruled poor Lo with a rod of iron; but a closer intimacy with

facts, as they are recorded in the files of our Indian Office, has somewhat changed my views on this subject.

Some of these facts were very startling and suggestive to me; and I beg leave to call the attention of the committee to some tables which I have prepared and which bear upon this subject. Notwithstanding the surplus of 28,578,990 acres, as shown in the table before mentioned, which these Indians hold either by qualified fee or during sufferance of the President, and for which they do not and can not have any use, we are paying all these tribes, except the Cherokees, Peorias, Ottawas, Wyandottes, Tonkawas, and Wichitas, an immense aggregate sum of money in temporary and perpetual annuities.

INDIAN ANNUITIES.

Table showing perpetual and temporary annuities to various Indian tribes.

Tribe.	Perpetual annuity.	Temporary annuity.
Creek	$69,968 40	$4,710 00
Seminole	28,500 00	3,032 89
Chickasaw	3,000 00	.....
Quapaw	.....	2,060 00
Shawnee	5,000 00	.....
Senecas	.....	1,060 00
Osage	18,456 00	.....
Kansas	10,000 00	.....
Pawnee	30,000 00	.....
Sac and Fox	60,000 00	.....
Pottawatomie	20,647 65	5,000 00
Ponca	.....	10,000 00
Iowa	.....	2,876 00
Kickapoo	4,493 24	.....
Cheyenne and Arapahoe	.....	21,700 00
Apache, Kiowa, and Comanche	.....	22,700 00
	250,065 29	73,237 89

Besides the perpetual and temporary annuities here shown, we are under obligation to pay aggregate sums as follows: To the Poncas, $24,000; to the Otoes and Missourias, $45,000; to the Cheyennes and Arapahoes, $340,000; to the Apaches, Kiowas, and Comanches, $360,000; making a total aggregate of $669,000.

Most of these permanent annuities have been running for over fifty years.

To the several tribes of the Indian Territory, then, we are paying and are to pay, as long as wood grows and water runs and there is a solitary Indian left in the respective tribes, a perpetual annuity of over a quarter of a million of dollars.

To the same tribes we are paying, and are to pay during the pleasure of the President, an annuity of over $73,000.

In addition we have agreed to pay them an aggregate sum of $669,000.

With this golden stream annually flowing into their coffers, with a vast expanse of the richest territory in the United States, with a surplus area of over 28,000,000 acres (for which they have no use), with the large amounts annually received from cattle syndicates for the use of their surplus lands, and with the immunity they enjoy from all responsibility for the support and defense of the national Government, no wonder they are the richest people per capita in the world, and are satisfied to snap their fingers at the demands of commerce and civilization and the cries of the homeless white citizens of our Republic who have borne the heat and burden of the day, upheld the national flag in its peril, and now ask for a quarter-section apiece of the domain they helped to preserve.

It should be remembered that only a small per cent. of these Indians are what are known as "blanket" Indians, and in need of support from outside agencies; on the contrary, about 85 per cent. of these 76,000 Indians dress wholly in white men's clothes, and about 12 per cent. more dress partially in the garb of civilization; and I hold that Indians who dress and live and eat like white people do not require to be fed by the national Government with a silver spoon.

It may prove instructive to us in this discussion to survey the past as well as the present and future of Indian expenditure. We find upon examination that we have been paying large sums annually to these same Indians for many years; and that the aggregate foots up to a large amount.

Name of tribe.	Date at which annuity began.	Amount of annuity.	Number of years annuity has run.	Aggregate.
Creek	Aug. 7, 1790	$1,500 00	96	$144,000 00
Do	June 16, 1802	3,000 00	84	252,000 00
Do	Jan. 24, 1826	21,710 00	60	1,302,600 00
Do	Feb. 14, 1833	4,710 00	53	249,630 00
Do	Aug. 7, 1856	10,000 00	30	300,000 00
Do	June 14, 1866	33,758 40	20	675,164 00
Seminole	Aug. 7, 1856	28,500 00	30	855,000 00
Chickasaw	July 12, 1794	3,000 00	92	276,000 00
Quapaw	May 13, 1833	2,060 00	53	109,180 00
Shawnee	Aug. 3, 1795	5,000 00	91	455,000 00
Seneca	Sep. 9-17, 1817	1,000 00	69	69,000 00
Do	July 20, 1831	1,060 00	55	58,300 00
Osage	Jan. 2, 1825	3,456 00	61	210,816 00
Kansas	Jan. 14, 1846	10,000 00	40	400,000 00
Pawnee	Sept. 24, 1857	46,680 00	29	1,350,820 00
Sac and Fox	Nov. 3, 1804	1,000 00	82	82,000 00
Do	Oct. 21, 1837	10,000 00	49	490,000 00
Do	Oct. 21, 1842	40,000 00	44	1,760,000 00
Pottawatomie	Aug. 3, 1795	357 80	91	32,559 80
Do	Sept. 30, 1809	178 90	77	13,775 30
Do	Oct. 2, 1818	894 50	68	59,826 00
Do	Sept. 20, 1828	5,107 34	58	296,225 72
Do	July 29, 1829	5,724 77	57	326,311 89
Do	Sept. 20, 1828	715,60	58	41,504 80
Do	Oct. 16, 1826	1,008,99	60	60,579 40
Do	July 29, 1829	156 54	57	8,922 78
Do	June 5, 1846	11,503 21	30	345,096 30
Ponca	Mar. 12, 1868	10,000 00	18	180,000 00
Iowa	May 17, 1854	2,875 00	32	92,000 00
Kickapoo	May 18, 1854	4,493 24	32	143,783 68
Cheyenne and Arapaho	Oct. 28, 1867	21,700 00	19	412,300 00
Apache, Kiowa, and Comanche	Oct. 21, 1867	22,700 00	19	431,300 00
Total	.....	313,750 29	.....	14,407,089 67

Considering that no reckoning has been made of the cash and merchandise which has been given to these Indians every time we made a "treaty" with them (and we have made nearly four hundred), nor of the expenses of the Army and Indian Office in attending to their needs, but only to the cash value of the annuities paid them, one will readily see that only a small part of the cost which these Indians have entailed upon the Government has been alluded to.

EXPENDITURES OF INDIAN BUREAU 1832-1885.

I desire, Mr. Chairman, to incorporate in my remarks the following table:

Tabular statement showing the number of Indians provided for at the expense of the Government in each year, together with the annual expenditures of the Indian Bureau since its organization.

Year.	Estimated number of Indians.	Amount of expenditure.	Year.	Estimated number of Indians.	Amount of expenditure.
1832	70,000	$1,352,419 75	1859	109,500	$3,490,534 53
1833	70,000	1,802,980 93	1860	110,000	2,991,121 54
1834	70,000	1,003,953 20	1861	115,000	2,865,481 17
1835	70,000	1,706,444 48	1862	119,500	2,327,948 37
1836	73,000	5,037,022 88	1863	138,600	3,152,032 70
1837	74,600	4,348,036 19	1864	138,700	2,629,975 97
1838	75,000	5,504,191 34	1865	140,000	5,059,360 71
1839	77,500	2,528,917 28	1866	142,000	3,295,729 32
1840	79,500	2,331,794 86	1867	142,000	4,612,531 77
1841	80,500	2,514,837 12	1868	150,000	4,100,082 32
1842	80,500	1,199,099 68	1869	161,000	7,042,923 06
1843	82,000	*578,371 00	1870	169,300	3,497,938 15
1844	82,000	1,256,532 39	1871	191,600	7,426,997 44
1845	82,000	1,539,351 35	1872	199,900	7,061,728 82
1846	83,000	1,027,693 64	1873	201,500	7,951,704 88
1847	83,000	1,430,411 30	1874	203,000	6,692,462 09
1848	83,000	1,252,296 81	1875	206,600	8,384,656 82
1849	83,000	1,374,161 55	1876	(†)	5,326,812 09
1850	85,000	1,663,591 47	1877	(†)	4,849,776 36
1851	85,000	2,829,801 77	1878	(†)	.....
1852	87,500	3,043,576 04	1879	(†)	.....
1853	90,600	3,880,494 12	1880	(†)	5,137,090 43
1854	92,000	1,550,339 55	1881	(†)	4,977,694 00
1855	92,500	2,772,990 78	1882	(†)	5,124,648 80
1856	98,700	2,644,263 97	1883	(†)	5,563,104 13
1857	99,000	4,354,418 87	1884	(†)	5,291,985 91
1858	108,300	4,978,266 18	1885	(†)	5,819,104 10

*For the half year, from January 1, 1843, to June 30, 1843. The statement of expenditures is by calendar years to 1843 and by fiscal years from that time. The population of the Cherokees, Choctaws, Chickasaws, and Six Nations of New York has been uniformly excluded.

†Estimated number of Indians not given in the Indian reports.

Truly, Mr. Chairman, the present honorable Secretary of the Interior was right when he said, in his last annual report—

Whatever may be said about the injustice and cruelty with which the Indians have been treated in the past, characterized by some as a "century of dishonor,"

the Government is now, as all must admit, putting itself to great trouble and expense for a very small and inutile population.

Secure in the protection of Uncle Sam; their exchequers bursting with the golden product of perpetual annuities and temporary gratuities; more fortunate than other ex-rebel communities of the South, in that they are relieved from all care for the support of the Government that upholds and protects them; with a thousand acres per capita of the richest agricultural lands in the United States; and blocking the pathway of civilization—with all these blessings the Indians ought to be able to pick their teeth in contentment.

But like the dog in the manger, they are unwilling that others should share what they can not use. Sole lords over a dominion broad enough to support two million people, they are alarmed and pained that the civilization which has magnanimously refrained from disputing their greedy position is disposed to go around them and plant itself to the west of them. So they hie themselves to their faithful friends, the cattle-barons, for comfort and advice. Between them they trump up an argument whereby they fondly hope to convince the people of this country that 23,000,000 acres of land, virtually unoccupied and lying wholly beyond the five civilized tribes, should be still longer reserved from public settlement, for the financial benefit of the cattle-kings and the parasites which always infest a great political monopoly like our Indian system.

These Indians and their attorneys are asserting that they hold the right of occupancy to the Indian Territory under solemn treaties with the United States, and that even the Congress of the United States can not assert over them the political power of this great Government. There stand these fifty thousand Indians, fenced around by this wall of protection, and say to the American Government "Hands off! We owe you nothing. We deny that you have any power over us. You are bound by your treaties to protect us; you are bound to see that we do not suffer from internal commotions; you are bound to keep from us the aggressive white men, the intruders, and the lawless; but, while you are bound thus to guarantee to us peace, you can never extend over us the power of any Territorial government except for judicial purposes only."

But, sir, there are other considerations than those I have just mentioned, by reason of which it is our duty to do something to change the chaotic condition of affairs in that Territory.

Notwithstanding the monopoly of lands on the part of the "bloated" *Indian* "bondholders" and the crying need of our surplus labor for "more lands," there are yet other aspects of this question which demand our careful attention.

CRIME IN THE INDIAN TERRITORY.

One can not come from a careful examination of the statistics of crime and lawlessness in that Territory without a feeling of shame that such a blot is allowed to exist upon the fair face of our civilization.

As I have before suggested, the Indian Territory is the paradise of law-breakers. It is indeed a "dark and bloody ground," where the criminal is free from justice and the dark passions of men find an ample field for their exercise. Here are gathered in largest numbers the adventurous and reckless spirits who always hover upon the confines of civilization. It is amid such associations, in contact with the worst elements of society, that the enemies of this bill appear to believe that the Indian is to be elevated to the lofty plane of American citizenship in a country which Mr. Carnegie pronounces the freest, the purest, and the happiest on the globe.

I make the assertion that the Indian Territory presents the blackest and most appalling picture of crime of any section in the United States. I propose to prove my statement, and I invite the attention of gentlemen to some statistics which I have culled from the last annual report of the Attorney-General of the United States. They relate to the United States district court for the western district of Arkansas, under whose jurisdiction this Territory is placed.

The number of criminal prosecutions terminated during the fiscal year ended June 30, 1885, was five hundred and fifty-two. This record is double that of fifty-seven out of sixty-eight other districts. It is two hundred and forty-five more than the record of all New England; one hundred and fourteen more than the record of the three districts of New York and the districts of New Jersey, Delaware, and Maryland; ninety-three more than the record of all the Territories, including Alaska and the States of California, Nevada, and Colorado; thirty-five more than the record of the three districts of Texas and the two districts of Missouri; fifty-three more than the record of Kansas, Nebraska, and the two districts of Iowa; five more than the record of Minnesota, the two districts of Wisconsin, the two districts of Michigan, and the two districts of Illinois, and four hundred and eighty-three more than the record of the district of Eastern Arkansas.

The expenses attending the administration of justice in this district are equaled only by those of the District of Columbia. They are double those of fifty-eight out of sixty-eight other districts. For 1883 they amounted to $9,192.22; for 1884, to $25,131.35. No district came within $4,200, and it was more than double all others, except six. For 1885 they amounted to $159,685.06. No district comes within $50,000. It is $62,000 more than Dakota; $59,000 more than South Carolina; $52,000 more than the Southern District of New York; $60,860.48 more than all New England; $19,215.63 more than Kansas and the two districts of Missouri; $36,488.96 more than the three districts of Texas; $7,048.64 more than Dakota, Wyoming, and Colorado; $39,708.86 more than New Mexico, Arizona, and Utah; $3,058.37 more than the whole Pacific Slope; $29,486.27 more than the two districts of Pennsylvania and the district of West Virginia; $47,500.53 more than the three districts of Tennessee, and $133,325.58 more than the eastern district of Arkansas.

The distribution per year of $160,000 in court expenses is quite a rich plum for the city of Fort Smith.

But, Mr. Chairman, there is no prospect that as long as the present friends of the Indian are allowed to control his destiny this disgraceful and alarming record will be bettered. Crime is on the increase, as testify two prominent Indian agents, Messrs. Owen and Taylor, in their reports for the past year to the Commissioner of Indian Affairs.

Robert L. Owen, United States Indian agent at Union agency, Muscogee, Ind. T., says:

The long distances necessary for witnesses to travel to Fort Smith make the administration of justice very expensive both to the Government and to those compelled to attend, and actually operate to prevent many crimes being detected.

Isaac A. Taylor, United States Indian agent at Sac and Fox agency, says:

The vice of gambling seems to be on the increase. A great deal of horse-stealing has been going on during the past year by parties of whites and colored men, who make frequent trips through the country.

Considerable quantities of whisky have been introduced by parties who challenge arrest and speak defiantly of the United States soldiers.

It is reported that at an execution at Fort Smith this spring over sixty criminals were hung upon the same gallows. A dispatch dated Fort Smith, Ark., January 30, will illustrate my statement:

Judge Parker passed sentence of death upon seven prisoners in the United States court here to-day. They were convicted of murders committed in the Indian Territory, over which this court has jurisdiction.

I quote still another, dated March 4, to show the wholesale business done in the criminal line in this delectable region, which our opponents declare should never be burdened with the responsibilities and restrictions of civilized settlement and government unless the consent of fifty thousand Indians can be previously obtained:

The Federal court here continues to grind out justice from day to day, and yet the number of cases does not appear to diminish; but, on the contrary, the docket is replenished as rapidly as the cases are disposed of. During the present term a large number of cases have been disposed of, and since the 28th of February the following convicts have been sentenced to the house of correction at Detroit, Mich.

The report then gives a long list of names, and concludes:

This makes twenty-two convicts awaiting transportation to Detroit, all convicted since the first Monday in February.

A period of one month.

The marshall always holds them here until he gets a car-load, then charters a car and takes them straight through to their destination. This crowd will probably be taken off this week in order to make room in the jail for fresh arrivals, there now being one hundred and ten behind the bars—about as many as can be accommodated. Besides these a large number have been convicted who received short jail sentences. The eight condemned murderers, under sentence to be hanged the 23d of April, appear to be the jolliest of all, and, with one exception, none of them are making the least preparation to meet their fate.

Eight condemned murderers, twenty-two other convicts awaiting transportation, one hundred and ten others "behind the bars," and more to follow, all in one session of one district court. Surely the contemplation of such a state of affairs ought to mantle with shame the cheek of every American and every believer in nineteenth-century progress.

But a still darker side is revealed in the report of John W. Scott, Indian agent at the Ponca agency. He has several tribes under his supervision, and his report is dated 1884. He says:

The most deplorable of all these barbarous customs is the selling of girls in marriage; this practice, I think, is universal. A marriageable girl in a family is considered as much an article of merchandise as a horse or an ox, and is sold to the highest bidder and assumes the married state and the duties of maternity when she is a mere child, and often sorely against her will. An unmarried girl of more than fourteen or fifteen years of age is not to be found. The elevating and refining influence exerted by young ladies in white society is unknown among the Indians. The effect is bad in every way. It cuts short their education at the very point where it would begin to be of some practical advantage. A girl over fourteen or fifteen years of age is seldom found in the schools. It breaks them down physically and they become prematurely old; it degrades the women to a condition little better than slavery.

Yet our opponents say, and it has been said in substance on this floor, that if the Indians choose the society of cowboys, gamblers, and horse-thieves instead of honest-toiling white farmers, with their wives and children, their churches and school-houses, this Government has no right in justice or law to interfere; and the mournful strains of "lo, the poor Indian" have been sung in Congress and out by large-hearted philanthropists and paid minstrels until the tune is a trifle threadbare.

The imperative necessity of preserving the cattleman in his unlawful possessions, the outlaw in his immunity from justice, the Indian agent in his field for speculation, and the Indian in his mental and moral degradation, by a further continuance of the present anomalous and outrageous condition of affairs in the Indian Territory has been portrayed

in vivid colors until we are almost led to believe that Anglo-Saxon progress has reached an obstacle which it can not surmount, and that the civilization of the revolver and bowie-knife is the only civilization possible to that benighted region.

Mr. Chairman, as I said at the outset, I am in favor of observing to the utmost every guarantee made to the Indians; I would even give them the benefit of doubts in construing our obligations to them; but, sir, I believe there may be a limit to this doctrine; I believe the time may come when the assertion of American civilization and national supremacy may be justifiable; I believe that the position of wards, which the Indians choose to assume when they or their friends desire a subsidy from the national Treasury, should not be allowed to be turned into mastery over us when they desire to antagonize the wishes and needs of the whole American people and the sentiment of the civilized world; I believe the time may come when the American people—the much-flattered, much-cajoled, and much-abused American people—may be justified in asking the American Congress—the creature of their hands, and facetiously termed their servant—whether the interest of the people or that of the monopolist and criminal classes is to be subserved; and, sir, I maintain that that time has come; and I judge from the huge pile of petitions in the room of the Committee on Territories praying for the passage of this bill that the aforesaid people are to-day making that very pertinent inquiry.

But, sir, as I said before, the opponents of this bill say that we have no right to deal with the lands of the Indian Territory without first obtaining the consent of the five civilized tribes. They claim also that this bill concedes our inability to move in the matter without the consent of these Indians; and they quote section 5, which provides that the consent of the Creeks and Seminoles shall be obtained before opening to settlement Oklahoma and the remainder of the country bought by us of those tribes in 1866.

But, sir, I claim that it is as unnecessary in law or equity to consult the wishes of the Indians in regard to any of these lands, except perhaps the Cherokee Outlet, as it would be to consult the Republic of Mexico, were it proposed to admit the Territory of New Mexico to the sisterhood of States. Neither is this clause in the bill an acknowledgment of any right on the part of the Indians. It is merely designed to placate the tender feelings of the Indians, and was inserted in the bill after much discussion to gratify those who would not consent to report the bill without it.

I submit, sir, that it ought not to be there; but I protest against the action of those to whom this unwarranted concession was made in taking advantage of its presence in the bill and attempting to hold the bill up for ridicule because it does not provide for the immediate and peremptory opening and settlement of more than the Public Land strip and the Choctaw and Chickasaw leased lands.

TITLE OF THE LAND WEST OF THE FIVE CIVILIZED TRIBES.

I wish now to review the titles to the lands lying west of the five civilized tribes that we may arrive at some definite understanding of the foundation upon which this bill proposes to raise another prosperous American Commonwealth.

I claim that the United States holds an absolute title, subject to no reservation whatever in favor of the original owners, to that part of the Indian Territory lying south of the "Cherokee strip," and west of the Chickasaw, Pottawatomie, and Sac and Fox Indian reservations, and that those regions are as much a part of the public domain as any portion of Kansas, Nebraska, or Dakota, subject only to the rights of certain tribes temporarily occupying the same by order of the President. Some parts of these lands are not, however, subject to the immediate operation of the public-land laws, from the fact that Indians have been temporarily located thereon. But this temporary restriction does not apply to the 1,887,800 acres constituting what is popularly known as Oklahoma.

Of the status of Oklahoma alone I shall speak further on.

TITLE OF THE CHOCTAW AND CHICKASAW LEASED LANDS.

And first I will speak of the Choctaw and Chickasaw leased lands, lying in the southwestern part of the Territory, between the Red and Canadian Rivers, and occupied under treaty and executive order by about seven thousand Kiowas, Comanches, Apaches, Wichitas, Cheyennes, and Arapahoes (a part of the Cheyennes and Arapahoes being settled to the north of the Canadian River, on the land bought by us in 1866 of the Creeks and Seminoles). The lands in question were in 1855 leased by the Choctaws and Chickasaws to the United States for the settlement thereon of the Wichitas.

April 28, 1866, the Choctaws and Chickasaws, for the consideration of $300,000, ceded these lands to the United States, making no reservation whatever. I do not know that any one has questioned the absoluteness of that cession. Even the minority of the committee who opposed this bill agree that—

Nothing is said in this article (Article III, treaty of April 28, 1866) as to the purposes for which the cession is made, and it would seem that the United States acquired by this cession a right to make such use of this Territory as it may deem proper. (House Report No. 1694, page 16, Forty-ninth Congress, first session.)

The Wichitas were settled, in 1872, on a part of this land, but no agreement with them has been ratified, and they hold their land only during the pleasure of the Government; so that these 7,000,000 and odd acres stand entirely unencumbered by any legal title in any party, except the United States, subject, however, to certain treaty rights of the Kiowas, Comanches, and Apaches, but these rights do not interfere with the provisions of this bill. Equitable provisions can be readily made for the seven thousand Indians, and this rich heritage of the people restored to its rightful owners.

TITLE OF OKLAHOMA—TERRITORIAL GUARANTEE.

I now desire to speak of the legal status of the Oklahoma lands, embracing the country to the west of the Creeks and Seminoles, and between the Canadian River and the Cherokee outlet. This includes what is known as Oklahoma and a part of the Cheyenne and Arapahoe country.

I would call attention at this point to certain transactions had by our Government with the Creeks and Seminoles, by which those tribes ceded to the United States all their right and title to the lands just referred to.

On the 7th of August, 1856, the Creeks sold to the Seminoles the country west of 97° and embraced between the Canadian and North Canadian Rivers and the Cherokee strip.

Mr. BROWN, of Pennsylvania. Was it not in 1866?

Mr. STRUBLE. No, sir; it was in the treaty of 1856 between the Creeks and Seminoles and the United States.

This cession included what is now the north part of the Cheyenne and Arapahoe country, the south part of Oklahoma, and the southwest part of Pottawatomie reservation.

As this treaty expressly superseded all previous ones between the United States and these tribes, it is not necessary to go beyond it to find a basis for our discussion.

I here quote article 26 of this treaty:

This convention shall supersede and take the place of all former treaties between the United States and the Creeks, between the United States and the Florida and Seminole Indians, and between the Creeks and Seminoles, inconsistent herewith.

In article 4 of this treaty the United States guaranteed to the Creeks and Seminoles that no State or Territorial government should ever be extended over the country sold or that remaining to the Creeks (which was the tract north of the North Canadian and south of the Cherokee strip) without the free and full consent of the tribe "owning the same."

Observe that the United States did not guarantee that no State or Territorial government should ever be extended over those regions without the consent of the Creeks and Seminoles; but "without the consent of the tribe owning the same;" *i. e.*, "owning the same" when such a proposition might be made. The ownership contemplated in these three words must have referred to the future, and must have been contingent upon any conveyance of their rights and title to those lands which the Creeks and Seminoles might afterward make. Any other construction put upon these words would be contrary to all usage and to that well-established principle of law that a reservation is to be strictly construed against the grantor.

Can so absurd a proposition be for a moment entertained that the United States would thus have made a solemn guarantee in relation to lands then (1856) owned by others which would operate to control the disposition of those lands when, through the ordinary course of sale, the title to them should become vested in the United States, no such clause of guaranty having been attached to the contract of sale itself?

Observe again, the language of the treaty is "without the free and full consent of the legislative authority of the tribe owning the same." Now, it is obvious that the intention could not have been to make the organization of a Territorial government over any of that country depend forever upon the consent of the Creeks and Seminoles.

The word "tribe" being in the singular can not be understood as referring to the Creeks and Seminoles, as they did then and do now constitute two distinct tribes.

In the treaty of 1866 by which this land was ceded to the United States there is no reference to that guaranty in the treaty of 1856. There is a clause in the former treaty which reaffirms all prior treaty obligations "not inconsistent with this (1866) treaty." But any such guaranty as that of 1856 would be inconsistent with the treaty of 1866; for the latter treaty purported to be an absolute sale and was so regarded and acted upon by both parties. I believe I am right in my statements.

Mr. WEAVER, of Iowa. Yes, you are right.

Mr. STRUBLE. This, then, was the condition of affairs previous to the civil war, in which the Creeks and Seminoles largely espoused the cause of the Southern confederacy. By their rebellious conduct they lost all rights and immunities guaranteed them by the treaty of 1856. To restore them to their former comfortable condition of wardship which they by their disloyalty had voluntarily surrendered the treaties of August 11 and August 16, 1866, were made by our Government with the Creeks and Seminoles, restoring them to the condition *in statu quo ante bellum*, *i. e.*, to the basis of the treaty of 1856.

Now, if these treaties amounted to a sale of the land involved, the Creeks and Seminoles must have disposed of their title to the grantee,

the United States, and consequently are not "owning the same," nor have they any control over its disposition.

If the Creeks and Seminoles had intended to have forever precluded the organization of a Territorrial government over the country to the west of them they should have inserted a clause to that effect in the treaties of 1866; and the natural presumption is that they were satisfied that the guaranty of 1856 should remain in force over the country reserved to themselves, and were willing that its effect should cease over the country ceded to the United States.

But, whatever might have been the intentions of those Indians, the law does not allow a reservation to be strictly construed, in any event, against a grantee, and especially when the reservation is not made, even by implication, in the grant itself; and to me it appears perfectly plain that the effect of the guaranty of 1856 was removed, as far as the land ceded by those treaties was concerned, by the treaties of 1866, and that the proposition of this bill to extend a Territorial government over the land ceded to the United States by the Creeks and Seminoles in 1866 does not contravene the guaranty of 1856.

DID THE TREATIES OF 1866 AMOUNT TO CONDITIONS PRECEDENT?

It has been claimed by some that the treaties of 1866 were not equivalent to a sale; that the preambles contained in Article III of the two treaties amount to a condition precedent to the vesting of the absolute fee in the United States.

Article III of the Seminole treaty reads:

In compliance with the desire of the United States to locate other Indians and freedmen thereon, the Seminoles cede and convey.

Article III of the Creek treaty reads:

In compliance with the desire of the United States to locate other Indians and freedmen thereon, the Creeks hereby cede and convey to the United States * * * to be sold to and used as homes for such other civilized Indians as the United States may choose to settle thereon.

Notice that the language of these treaties merely expresses a desire then existing on the part of the United States.

In the Seminole treaty it does not even express a purpose, and a purpose can only be implied in the Creek treaty; while both are entirely silent as to what would happen should the United States cease to entertain that desire and put the land to uses not in accordance with such desire nor with the expectation of the Indians.

Mr. HERMANN. Is it not distinctly understood by the Indian tribes, and is it not now claimed by them, that it was the moving condition of their treaties of cession that these lands should be used for the permanent settlement of friendly and civilized Indians?

Mr. WEAVER, of Iowa. Will my colleague allow me to reply to the gentleman from Oregon?

Mr. STRUBLE. I shall be very glad to yield to my colleague, but it must be with the understanding that my time is not to be curtailed by reason of the interruption, as I have not sufficient time to say half of what I desire to say upon this question.

Mr. WEAVER, of Iowa. The title to that land does not depend on what the Indians claim, but on the language of the treaty. Now, the treaty of cession shows the purpose for which these Indians parted with their land. Their motive was to secure money required by them to stock their farms and with which to build houses and fences. That is shown in the record. The Creeks and Seminoles ceded all their lands, including Oklahoma and the land then occupied by them, and bought of the Government other land to the east, which was more fertile and better timbered. This is the land which constitutes their present reservation.

I do not understand, Mr. Chairman, that anything the Indians may now claim has anything more to do with the decision of the question than a mere averment in a plea. It depends altogether upon the testimony.

Mr. HERMANN. I understand the gentleman to say that the Indians do not claim what I suggested.

Mr. WEAVER, of Iowa. They do not claim title.

Mr. STRUBLE. Now, Mr. Chairman, if I have the floor, I wish to say that such language as is contained in the articles of the treaties of 1866 before mentioned can not in my opinion be construed to establish a condition *sine qua non*. A condition of this kind should be specifically expressed, and should provide for the disposition of the subject-matter of the contract upon non-fulfillment of the condition. No more can it be properly regarded as entering into the consideration of the contracts of treaty. The very indefiniteness of the clauses invalidates them as considerations. "A consideration must have some value and reality," and what value or reality can be attached to a condition which may practically never be performed, and which, as a notorious fact, was abandoned years ago?

By the most liberal construction the language of these articles can be admitted to express only a partial consideration, the failure of which can not invalidate the contract. (See Parsons and Chitty.) But whether an extremely loose application of well-established legal maxims may serve to admit these articles as expressive of partial consideration, how insignificant a part it appears viewed in the light of contemporary circumstances.

In the preamble to the treaty between the United States and the Creeks, June 14, 1866 (ratified July 19, 1866), occur these words:

Whereas the Creeks made a treaty with the so-called Confederate States on July 10, 1861, whereby they ignored their allegiance to the United States and unsettled the treaty relations existing between the Creeks and the United States, and did so render themselves liable to forfeit to the United States all benefits and advantages enjoyed by them in lands, annuities, protection, and immunities, including their lands and other property held by grant or gift from the United States; and

Whereas in view of said liabilities the United States requires of the Creeks a portion of their land whereon to settle other Indians, &c.

In the preamble to the treaty of March 21, 1866 (ratified July 19, 1866), between the United States and Seminoles, occur the same words as in the first part of the preamble to the Creek treaty above; and it proceeds:

Whereas the United States, in view of the said treaty of the Seminole Nation with the enemies of the Government of the United States and the consequent liabilities of said Seminole Nation, and in view of its urgent necessities for more lands in the Indian Territory, requires a cession by said Seminole Nation of part of its reservation, and is willing to pay therefor a reasonable price, while at the same time providing new and adequate lands for them, &c.

These preambles occur in the treaties of 1866, so often quoted, and which ceded to the United States the land now under consideration. Now, what is the logic of the language above quoted?

First. "In view of the liabilities" of said Indians for rebellion. Not "in view of the needs of the United States," although this does occur as a secondary and resulting consideration in the Seminole treaty. Here both parties expressly declare in both treaties that this session is required as a just penalty for the rebellious attitude of the Creeks and Seminoles.

Second. The United States does not request, ask, or desire, but peremptorily requires it, to which requisition the Indians engaging in such treaties assented. In other words, the language above quoted expresses a demand from the United States based upon a right. The Indians acknowledged the right and obeyed the demand.

Third. The prospective use of this land on the part of the United States is only incidentally mentioned in the preamble of the Creek treaty, "whereon to settle other Indians," and is not mentioned at all in the preamble to the Seminole treaty.

Now, the "right" of the United States being admitted, what further consideration can the friends of the Creeks and Seminoles claim as due from the United States? Could any further promises, guaranties, or reservations strengthen a right already possessed by the United States? Or even could a provision in the treaty of cession that this land should revert to the Indians if other Indians were not settled upon it within a given time (granting that such a provision had been made, which is in no respect true) operate to weaken an absolute right already possessed by the United States? I think not. I maintain that the statement of the Government that it was its intention to settle friendly Indians upon that land is no more in law than a statement of the inducement which led to the making of the contract. I insist that the Government was not and is not bound by that mere statement of inducement.

Well might the Creeks and Seminoles feel disposed to comply with the wishes of the United States, upon whose bounty and protection they had been dependent for so many years, at whose hands they had been receiving annuities and gratuities of money and stock and tools and clothing aggregating an enormous value, and this, too, without any further consideration than their restoration to those rights and privileges which they had lost by their own willful act.

But I find a still further and greater consideration for the magnanimity and generosity with which these tribes assented to the wishes of the United States. By these treaties our Government agreed to pay the Creeks $975,168 in cash, and to the Seminoles $225,362 in cash and 200,000 acres of the finest land ceded by the Creeks—quite snug considerations to be paid to a few thousand Indians for land for which they never had and never could have any use whatever. Moreover, the price paid per acre was fair and equitable, in view of the situation of the land and the meager development of the West at that time. The Creek and Seminole delegations now in this city have asserted that the price per acre for which the United States obtained title to these lands was "palpably inadequate."

In view of the fact that the so-called civilized Indians dwelt, in larger numbers than now, to the east of that country; in view of the fact that the country to the west was generally supposed to be, and was called, "the Great American Desert," and was overrun by the wild savages of the plain; in view of the fact that there were no railroads within hundreds of miles of that country, and that there were millions upon millions of choice acres much nearer civilization and to be had for the asking—in view of all these things, does it seem that the price we paid for those lands was "palpably inadequate?" If the United States had declared that land free to all comers we could not have given it away.

My mental vision is not sufficiently microscopic to detect the "palpable inadequacy" of the consideration to these contracts of sale paid by the United States. On the contrary, I consider it to have been amply adequate. I contend that the United States has lived up to its contract to the letter. The attempt to establish the non-validity of

that sale appears to me to be contrary to all reasonable construction of language and in utter disregard of the plainest principles of law.

DID THE TREATIES OF 1866 RESERVE THE LAND FOR INDIAN SETTLEMENT?

An additional objection, as untenable as the one I have just answered, is offered by the opponents of this bill. It is that although the treaties of 1866 granted the land in fee-simple to the United States, yet the third articles of these treaties operated to reserve the land from public settlement. This is the view held by Judge Parker in United States *vs.* Payne (2 McCrary, 282), tried in the district court of the western district of Arkansas. Judge Parker admits the validity of the sale, but holds that the clauses of the third articles before quoted constitute a reservation of the lands sold for a specific purpose, namely, the settlement of friendly Indians thereon.

That no reservation was expressly made is perfectly evident from the language used. We are left to imply one; and a reservation of land for a specific purpose, depending upon a reservation so weak, is inconsistent with the most elementary principles of law, and would not in my judgment be supported by the higher courts.

If Judge Parker's view of the significance of those articles is correct the reservations which he claims were made by them were in the nature of grants to those "other Indians and freedmen;" but the court, in Rice *vs.* Railroad Company, 1 Black, 360, and Railroad Company *vs.* Litchfield, 23 How., 66, held that "legislative grants are to be strictly construed against the grantee, and nothing passes but what is conveyed in clear and explict language;" and Judge Foster, in Goodfellow *vs.* Mucky, decided in the Kansas district, citing these cases, said (Circuit Judge Dillon concurring):

> This rule of construction may very aptly be applied to grants and reservations claimed under Indian treaties. It has been the traditionary policy of the Government in treating with the Indian tribes to reserve from the public domain tracts of land for the use and occupation of the Indian tribes, and to limit them to such reservations.

In United States *vs.* Sevaloff (2 Saw., 311) and United States *vs.* Leathers (6 Saw., 17) it was held that the Indian intercourse laws could not extend *propio vigore* over territory acquired by the United States subsequent to the passage of those laws; and Justice Gray, in United States *vs.* McBratney (104 Otto, 621), says:

> Whenever, upon the admission of a State into the Union, Congress has intended to except out of it an Indian reservation, it has done so by express words.

This case involved the jurisdiction over the Ute Indians in Colorado. The court held that, no reservation to the contrary having been made in the act admitting Colorado to the Union, the Ute Indians would be placed under the jurisdiction of Colorado, although a previous treaty with the Utes provided to the contrary.

Judge McCrary, in Forty-three Cases Cognac Brandy (Minn., 1882), 4 McCrary, 616, said:

> I do not think an Indian reservation can be established by custom or prescription. The fact that a particular tribe or band of Indians have for a long time occupied a particular tract of country does not constitute such tract an Indian reservation.
>
> Originally all of the public domain was occupied by the Indians, and the reservation policy was adopted with a view of locating them in certain districts and opening the remainder of the public lands to white settlement. It can not, therefore, be said that a particular portion of the public domain upon which an Indian tribe has been suffered long to remain, while other portions have been open to settlement, or set apart specifically for Indian occupation, constitutes such tract an Indian reservation. The fact that the tract of country in question has been sometimes referred to in treaties and official reports, as "Red Lake Indian reservation" is not sufficient to authorize the court to declare it to be such.

But I may go further and say that such a construction of these articles is inconsistent with other articles of the same treaties.

ATLANTIC AND PACIFIC RAILROAD GRANT.

These treaties, proclaimed August 11 and August 16, were made—the Seminole treaty on March 21, and the Creek treaty on June 14, 1866. During that time there was pending before Congress the bill which subsequently passed, on July 27, 1866, incorporating and granting lands in the same territory, ceded to the United States by the Creeks and Seminoles, to the Atlantic and Pacific Railroad Company. One of the principal objects of Congress in making these treaties with the Indians was to provide a right of way and a grant of land to aid in the construction of that road. In this act of incorporation of July 27, 1866, Congress granted to the Atlantic and Pacific Railroad Company a tract of country embracing each alternate section of land for 40 miles on each side of the line of location.

Are we to suppose that the Government intended, in their acceptance of these lands ceded to them in the treaties of 1866, to reserve them from public settlement for an Indian reservation when by the same treaty it provides for this railroad, and in the act of July 27 grants an 80-mile strip through the heart of that country to that same railroad? But this view of the reservation made by our Government rests solely upon the opinion of Judge Parker, and has never been passed upon by the higher courts.

In the act of July 28, 1866, before mentioned, occur these words:

> SEC. 3. *And be it further enacted*, That there be, and hereby is, granted to the Atlantic and Pacific Railroad Company * * * every alternate section of public land, not mineral, designated by odd numbers, to the amount of twenty alternate sections per mile on each side of said railroad line, as said railroad may adopt, through the Territories of the United States; and ten alternate sections of land per mile on each side of said railroad when it passes through a State * * * and whenever, prior to said time, any of said sections shall have been * * * occupied by homestead settlers, or pre-empted, or otherwise disposed of, other lands shall be selected by said company in lieu thereof.
>
> SEC. 6. *And be it further enacted*, That the President of the United States shall cause the lands to be surveyed for 40 miles in width, on both sides, on the entire line of said road, after the general route shall be fixed, and as fast as may be required by the construction of said road; and the odd sections of land hereby granted shall not be liable to sale or entry, or pre-emption, before or after they are surveyed, except by said company as provided in this act; but the provisions of the act of September, 1841, granting pre-emption rights, and the acts amendatory thereof, and of the act entitled "An act to secure homes to actual settlers on the public domain," approved May 20, 1862, shall be, and the same are hereby, extended to all other lands on the line of said road when surveyed, excepting those hereby granted to said company.

By this act Congress provided that as fast as the company should complete 25 miles of road it should receive a patent to the land grant pertaining to that 25 miles, and subject to no reservation or restriction. The United States agreed to extinguish as rapidly as possible the title which any Indian tribe might have to any of said land. Congress, having this bill then before it, had already a few weeks before extinguished the title of the Creeks and Seminoles to the land now known as Oklahoma, and to the west of Oklahoma, between the Canadian River and the Cherokee strip. By this act of July 27, 1866, the even sections in that land grant were opened to settlement under the public-land laws (see section 6 above).

I claim that the cession to the Government by the Creeks and Seminoles was alone sufficient to open that country to squatter settlement; but here, in the act granting land to the railroad company, we find the express provision that the public-land laws "are hereby extended over all other lands (meaning, of course, the even-numbered sections) on the line of said road." And this extension of the public-land laws over the "other lands" did not depend upon the survey and location of the road, but took effect as soon as the bill became a law; for in article 6, above quoted, it provides that the odd sections of land "hereby granted" shall not be liable to sale, entry, or pre-emption, except by said company, before or after they are surveyed; and it proceeds immediately to provide that the even sections should be placed under the operation of the land laws of the United States.

But, more than this, the United States plainly contemplates homestead and pre-emption settlement between the passage of the act and the location of the road, for in section 3, above quoted, it reads:

> And whenever prior to said time [the filing in the General Land Office by the company of a plat, designating the location of the road] any of said sections, or parts of said sections, shall have been occupied by homestead settlers, or pre-empted, or otherwise disposed of, other lands shall be selected by said company in lieu thereof.

The lands granted by this act to aid in the construction of that road have been forfeited through the non-completion of the road within the specified time; but think no one will hold that, if the even sections of the land within the limits of that grant had been settled by homesteaders and pre-emptors, that the forfeiture of the grant to the company would invalidate the rights of those settlers; and if such forfeiture would not affect the rights of settlers who had settled before the forfeiture, it can not, in the absence of further legislation, affect the rights of those who settle there now; and that country, granted in 1866 to the Atlantic and Pacific Railroad Company, is still open to public settlement. Neither can it be urged that this grant was not intended to include land in the Indian Territory, for the act grants twenty alternate sections * * * "through the Territories of the United States," and no one will argue that the Indian Territory is not one of the Territories of the United States. Furthermore, we find that the provisions of this grant are to extend along the "entire length of the road;" and that was from Springfield, Mo., to the Pacific Ocean.

Nor is it a fact that the Indians themselves entertain such an idea. In a recent printed argument by the delegates of the five civilized tribes they bitterly assail the provisions of this bill, for the reason, as they allege, that it hides a scheme to open up this old land grant, although they know that the bill under consideration expressly provides for the forfeiture of that grant, even were it not already forfeited by lapse of time.

In view, Mr. Chairman, of these treaties of 1866 and the circumstances surrounding them, it seems to me that the conclusion is irresistible that these treaties constituted an absolute sale to the United States on the part of the Creeks and Seminoles, and that the guaranty of 1856 has no further force over the lands in question.

Mr. BROWN, of Pennsylvania. Is there any tribe which claims it does?

Mr. STRUBLE. The Indians claim everything they can claim. They are sharp fellows. They and their friends in this House are asserting that, by reason of the third article in the treaties of 1866, which I quoted a few moments ago, such an equity obtains between the Government and these Indians that, although by those treaties they voluntarily parted with their legal title, we have no authority to extend our political jurisdiction over the land ceded by them in 1866, they having sold it, as they allege, for the sole purpose of the settlement thereon of friendly Indians.

Mr. HERMANN. Was it not specially stipulated that these lands were to be used for a specific purpose?

Mr. STRUBLE. No, sir; not in terms.

Mr. BROWN, of Pennsylvania. If I understood your argument a few moments ago, you held that these statements of purpose on the part of the Government, in the third article of the treaties of 1866, did not amount to a stipulation that the lands were to be used for a specific purpose, as our friend from Oregon [Mr. HERMANN] suggests.

Mr. STRUBLE. Yes, sir; that is the point I made. I know my friend from Oregon and others of the Committee on Territories maintain that the effect of the language there used is to establish such a stipulation, but I do not agree with them.

Mr. HERMANN. Will the gentleman yield to me?

Mr. STRUBLE. Certainly.

Mr. WEAVER, of Iowa. There is no Indian tribe which claims that they own the Oklahoma land as a tribe or as individual Indians.

Mr. STRUBLE. That is correct.

DID THE CESSIONS OF 1866 CONVEY THESE LANDS TO THE UNITED STATES IN TRUST FOR OTHER INDIANS?

Mr. BAKER. Let me interrupt the gentleman from Iowa with his consent to ask a question. Do you not understand these conveyances to the Government were conveyances in trust for a specific purpose?

Mr. STRUBLE. I do not so understand them.

Mr. BAKER. And further, let me ask the gentleman if the heads of the departments of the Government, the Secretary of the Interior formerly, Mr. TELLER, and the Commissioner of the General Land Office also, do not insist that the title to the land was in the Indians and transferred to the Government, in trust, for a specific purpose, and that the Indians claim interest both in law and in equity in the lands?

Mr. HILL. Now, if my colleague upon the committee will allow me to suggest, even if it be true that the Government acquired the lands for a specific purpose (for settling the friendly Indians), whether that purpose of the Government has not long ago been permanently abandoned by the Government.

Mr. STRUBLE. Certainly; that is true, and well understood by all gentlemen who have examined the question.

Mr. SYMES. As far as the trust is concerned I apprehend that no lawyer would ever contend that it was a legal trust, continually binding upon the United States, as my friend from Iowa [Mr. STRUBLE] has so conclusively shown.

Mr. STRUBLE. I am very glad to have the help of my able friend on the right [Mr. SYMES].

Mr. BARNES. The Government has held in reference to all these lands, as shown by a Senate document (and we did not take that position when the minority report was prepared), in reference to the lands acquired from the Choctaws and Chickasaws, and also from the Creeks and Seminoles, that they held them in trust for a certain specific purpose.

Mr. HERMANN. That is right.

Mr. BARNES. And that document is Senate Document No. 111, Forty-seventh Congress, first session. It is very distinctly cited in the argument of the gentleman from New York [Mr. BAKER] when he addressed the House upon this subject. This reported is signed by C. W. Holcomb, acting Commissioner.

Mr. WEAVER, of Iowa. Will my friend from Iowa permit me a word in reference to that?

Mr. STRUBLE. I will with the understanding that I am to have all the time I want in which to conclude my remarks.

Mr. WEAVER, of Iowa. Now, I want to say in reply to the gentleman from Georgia——

Mr. BARNES. You will have to reply to the Commissioner, not to me. I simply give his opinion.

Mr. WEAVER, of Iowa. I understand the gentleman to be an able lawyer. When he talks of the Department having held so and so, does he undertake to say that there was a case made, and that the Government was represented, and that the Indians were represented, and that the people who desired the lands—the settlers—were represented, and that it was argued and discussed and so held by the Department after a case was made?

Why, he may find some *ipse dixit;* he may find some rhetorical flourish in a departmental report or some language of the kind to which the gentleman has referred; but that is not a holding in the meaning of the law where the parties have all been heard. It does not even approach the dignity of an opinion, because the question was not raised before the officer making this statement.

Mr. BARNES. The gentleman does not understand me to say more than I did say. I said that the Department had held so and so, and I referred to the document. As to the circumstances under which it so held, that is another question.

Mr. WEAVER, of Iowa. You may find a remark——

Mr. BARNES. It is more than a remark; it is a distinct statement.

Mr. WEAVER, of Iowa. I can go to Department reports and documents and find statements there in favor of anything under the sun. But to call that authority binding on the House or on any court is a very different thing. It will not do to call it a holding. And suppose it is a holding, this House has authority to set it aside.

Mr. HEPBURN rose.

The CHAIRMAN. Does the gentleman from Iowa [Mr. STRUBLE] yield further?

Mr. STRUBLE. I yield provided it does not come out of my time. But my colleague on the committee, the gentleman from Oregon [Mr. HERMANN] is to follow with remarks on this question, and I desire that the committee will bear in mind that the gentleman from Oregon is well prepared to talk on the question and will interest all who listen to him. Does my colleague from Iowa [Mr. HEPBURN] desire me to yield to him?

Mr. HEPBURN. Not at this moment.

Mr. STRUBLE. Referring to the reference of my friend, the gentleman from Georgia [Mr. BARNES], to the holding of the Department upon this question, I must say that I supposed I had enlarged upon this point a few moments ago sufficiently to have convinced the gentlemen of this committee that, as far as the Creek and Seminole treaties were concerned, the mere statements of purpose contained in the third articles of those treaties can not possibly be construed to have established any legal reservation or trust. I maintain that no more absolute, unequivocal bargain of sale of lands was ever made.

The document to which the gentleman from Georgia [Mr. BARNES] referred, and which was quoted at length in the able speech of the gentleman from New York [Mr. BAKER] is an opinion delivered in 1881 to Hon. S. J. Kirkwood, then Secretary of the Interior, by C. W. Holcomb, acting Commissioner of the General Land Office. It is only an opinion of a gentleman holding a subordinate position in the Department, and was delivered, as my colleague from Iowa [Mr. WEAVER] suggested, without having heard any side except that laid down in the library of the Interior Department. Moreover, the opinion is in grievous error upon several points, especially the very vital point of what is Indian country, Mr. Holcomb holding that all the Indian Territory is "Indian country" within the purview of the Revised Statutes. This view I shall controvert further on in my remarks, if time be allowed me.

But that no point may be passed by in this discussion without a fair and full elucidation, I quote so much of Mr. Holcomb's opinion as is pertinent in this connection:

The treaties by which the United States reacquired title to any of the lands in the Indian Territory, or obtained the conditional right to control the disposal of any of said lands, were the treaties with the Seminoles of March 21, 1866; with the Choctaws and Chickasaws of April 28, 1866; with the Creeks of June 14, 1866; and with the Cherokees of July 19, 1866.

By the third article of the treaty with the Seminoles (14 Statutes, 756), said Indians ceded to the United States about 2,100,000 acres of land, "in compliance with the desire of the United States to locate other Indians and freedmen thereon."

In compliance with the same desire, the Creeks, by the third article of the treaty with that tribe (14 Statutes, 786), ceded about 3,200,000 acres to the United States, "to be sold to and used as homes for such other civilized Indians as the United States may choose to settle thereon."

The freedmen referred to were the former slaves of Indian tribes. The treaty stipulations, as uniformly understood and construed, have no application to any other freedmen than the persons freed from Indian bondage. They relate exclusively to friendly Indians and to Indian freedmen of other tribes in the Indian Territory whom it was the desire of the United States to provide with permanent homes on the lands ceded for that purpose.

I think Mr. Holcomb's statement that only the former slaves of Indians were referred to in the treaties of 1866 is open to serious question; but I will not stop to discuss the matter now.

The lands reconveyed to the United States by the foregoing treaties are therefore held subject to the trust named. They can be appropriated only to the uses specified, and to those uses only by the United States, and then only in the manner provided for by law. Miscellaneous immigration even by the intended beneficiaries would be unauthorized and illegal.

The Choctaw and Chickasaw cession of April 28, 1866 (14 Statutes, 769), was by the tenth section thereof made subject to the conditions of the compact of June 22, 1885 (11 Statutes, 613), by the ninth article of which it was stipulated that the lands should be appropriated for the permanent settlement of such tribes or bands of Indians as the United States might desire to locate thereon.

The lands embraced in the Choctaw and Chickasaw cession were also included in a definite district established by the stipulations of the treaty of 1855, pursuant to the act of Congress of May 28, 1830, the United States re-engaging by the seventh article of said treaty to remove and keep out from that district all intruders.

Articles 15 and 16 of the treaty with the Cherokees (14 Stat., 803, 804) provide that the United States may settle any civilized Indians friendly with the Cherokees and adjacent tribes within the Cherokee country, on unoccupied lands, on certain terms and conditions specified in the treaty.

These provisions made the United States the agent of the Cherokees for the sale and disposal of unoccupied land in the Cherokee country for the benefit of said tribe, but restricted such sale and disposal exclusively to friendly Indians.

In pursuance of the stipulations of the foregoing compacts, and in the exercise of the trusts assumed by the United States under the several treaties, and in accordance with specific provisions of law and the lawful orders of the President, all the lands in the Indian Territory to which the United States has title have been permanently appropriated or definitely reserved for the uses and purposes named.

As to the groundlessness of any claim of implied or actual trust contained in the Creek or Seminole treaties, I think I have already sufficiently expressed myself. I will only add that such a trust is impossible from the fact that the "other Indians and freedmen" referred to in those treaties were not identified and, consequently, could not become beneficiaries. I shall treat of the Cherokee treaty later on; I wish now to notice only Mr. Holcomb's argument in regard to the trust which he and some gentlemen of this committee appear to discover to have been imposed on the Choctaw and Chickasaw treaty. Mr. Holcomb says:

The Choctaw and Chickasaw cession of April 28, 1866, was, by the tenth section thereof, made subject to the compact of June 22, 1855 (the treaty by which their lands west of 98° were leased to the United States), by the ninth article of which it was stipulated that the lands should be appropriated for the permanent settlement of such tribes or bands of Indians as the United States might desire to locate thereon.

The clause of Article IX of the treaty of 1855 reads as follows:

And the Choctaws and Chickasaws do hereby lease to the United States all of their common territory west of the ninety-eighth degree of west longitude for the permanent settlement of the Wichita and such other tribes or bands of Indians as the Government may desire to locate therein; excluding, however, all the Indians of New Mexico; * * * which Indians shall be subject to the exclusive control of the United States, under such rules and regulations not inconsistent with the rights and interests of the Choctaws and Chickasaws as may from time to time be prescribed by the President for their government: *Provided, however*, The territory so leased shall remain open to settlement by Choctaws and Chickasaws as heretofore.

Article X of the Choctaw and Chickasaw cession of 1866 reads as follows:

The United States reaffirms all obligations arising out of treaty stipulations or acts of legislation with regard to the Choctaw and Chickasaw Nations entered into prior to the late rebellion and in force at that time, not inconsistent herewith. * * *

Now, Mr. Chairman, in comparing these two articles of the treaties of 1855 and 1866, several questions occur to me as being pertinent to an attempt to discuss the position of Mr. Holcomb.

First. Did the language of Article IX of the treaty of 1855 establish such a trust as that gentleman claims, or any trust in fact?

Second. If so, did the Article X of the treaty of 1866 revive that trust?

Third. If so, is it a continuing trust?

WHAT IS A TRUST?

The definition adopted by both Perry and Lewin in their works on Trusts is that given by Sir Edward Coke as his definition of a use, and they agree that the same is a legal and accurate description and definition of a trust. Mr. Coke, in his work on Littleton, page 272, says:

A trust is a confidence reposed in some other, not issuing out of the land, but is a thing collateral, annexed in privity to the estate of the land and to the person touching the land, for which *cestui que trust* has no remedy but by subpœna in chancery.

The courts in Wallace *vs.* Wainwright, 87 Pa. St., 263, and Chaffes *vs.* Rusk, 12 Harris, 432, defined a trust as "existing when the legal estate is in one person and the equitable estate in another."

Perry, in his work on Trusts, volume 1, section 24, says:

As direct trusts are expressly declared by the parties, there can never be any controversy as to whether they exist.

Lewin, in his work upon the same subject, page 18, says:

The machinery of a trustee is introduced for the execution of some purpose particularly provided.

Did the language of this article establish the legal estate in the United States and the equitable estate in the Wichitas? Did it give the Wichitas such a title that they could bring action against the United States to maintain it? Is the course of the United States as trustee so plainly marked out, and the future conveyance to the Wichitas made so binding upon the United States that it is not possible to construe the language into granting the United States the discretion of settling Indians there or not? I think not.

The language is too brief, too indefinite, to establish an express obligation to reconvey those lands to the Witchitas. I regard it simply as the statement of a purpose, not as entering into the consideration of the cession. Suppose the Wichitas had refused to be settled there, and the United States had not desired nor been willing to settle other tribes thereon, would the United States have been compelled to abandon the lease? I think not.

But admitting the trust as having been established by this language in the treaty of 1855, what follows? Was the trust entered upon prior to the sale of 1866? Were the Wichitas or any other tribe settled there prior to 1866? The Wichitas were not settled there until October 19, 1872, and then by an agreement which has never been ratified. No other tribes were permanently settled there prior to 1866. It is true that these lands were, in the treaty of October 18, 1865, embraced within the exterior limits of the Comanche and Kiowa reservation, which extended to New Mexico Territory; but there was no permanent settlement of these Indians upon these lands exclusively; and even the treaty of October 18, 1865, was not proclaimed until May 26, 1866, a month after the Choctaws and Chickasaws had sold these lands to the United States. So that in no sense were there any Indians, least of all the Wichitas, permanently located on that land prior to the vesting of the absolute title in the United States. What effect would such vesting of title in the United States have upon an unfulfilled trust imposed by the same Choctaw and Chickasaw tribes who were the vendors in the cession of 1866?

We will assume that in 1855 the Choctaws and Chickasaws imposed the trust of settling the Wichitas upon that land to the United States. That trust was not fulfilled. In 1866 the same Indians sold that land for a consideration to the United States, making no reference whatever to the trust of 1855 and laying no restriction whatever upon the most absolute exercise of power on the part of the United States over the region so ceded.

Would not the treaty of 1866 supersede that of 1855? Certainly it would. But as a matter of fact the United States have in 1872, of their own free will and in their own time, and taking no notice of the treaty of 1855 with the Choctaws and Chickasaws, settled the Wichitas on that land. What more can be asked of the United States? Though the trust was destroyed by the sale of 1866 the United States have fulfilled it, and certainly the question of trust can no longer be raised.

CHEROKEE TITLE, IN GENERAL.

I now desire to call the attention of gentlemen of this committee to the status of the Cherokee outlet. Soon after the Louisiana purchase Congress began to make provision for such of the Indians as desired to move west of the Mississippi, and by 1828 about half of the Cherokees were comfortably settled on the west of the Mississippi, between the Arkansas and White Rivers, in what is now the State of Arkansas, having a reservation of 7,000,000 acres. In that year the Cherokees on the Arkansas desiring to move farther from contact with civilization, and the Cherokees of Georgia wishing to join their brethren west of the Mississippi, the United States made a treaty with the Cherokee tribe.

It will be profitable for us to follow as briefly as may be the different links in the chain of the Cherokee title, not only because it will help us to an understanding of the basis of their present claims, but because the minority of the Committee on Territories argue that the Cherokees hold their land, including both the 7,000,000 now occupied by them and the 6,000,000 acres of the outlet, by an absolute fee-simple title. But they say, "This is not strictly true of any other of the civilized tribes." Very well; I shall undertake before I finish to prove that it is not strictly true of the Cherokees as far as their 7,000,000 acres are concerned, and that they have only a bare legal title to the outlet, the patent to the outlet having been given erroneously and contrary to the previous intention of both the United States and the Cherokees.

In the treaty of 1828 occur these words:

The United States agree to possess the Cherokees, and to guarantee it to them forever, and that guarantee is hereby solemnly pledged, of 7,000,000 of acres.

Then follows a description of the land:

In addition to the 7,000,000 of acres thus provided for and bounded, the United States further guarantee to the Cherokee Nation a perpetual outlet west, and a free and unmolested use of all the country lying west of the western boundary of the above-described limits, and as far west as the sovereignty of the United States and their right of soil extend.

In 1830 Congress passed a general law (4 Stats., 411) providing for an exchange of lands with any and all Indians east of the Mississippi River and their removal west of the Mississippi. By the third section of said act the President was authorized "solemnly to assure the tribe or nation with whom such exchange may be made that the United States will forever secure and guarantee to them and their heirs or successors the country so exchanged with them, and if they prefer it the United States will cause a patent or grant to be made and executed to them for the same; provided always that such lands shall revert to the United States if the Indians become extinct or abandon the same."

The treaty of 1833 purported to be "merely supplemental to the treaty of 1828, and not to vary the rights of the parties any further than said treaty of 1828 is inconsistent with that of 1833." And, as the minority report upon this bill admits (see page 12), "that is only so far as the territory described in the one is inconsistent with the territory described in the other." It was made necessary by a proviso in the treaty of 1828, which provided that the lands therein granted to the Cherokees should not be held to include any land previously selected by the Creeks. It was found that the Creeks had selected part of the 7,000,000 acres granted to the Cherokees by said treaty of 1828.

The treaty of New Echota, in 1835, recites the treaty of 1828–'33, and says (Article II):

And whereas it is apprehended by the Cherokees that in the above cession (of 7,000,000 acres) there is not contained a sufficient quantity of land for the accommodation of the whole nation on their removal west of the Mississippi River, the United States * * * hereby covenant and agree to convey the said Indians, and their descendants, by patent in fee simple, the following additional tract of land [in Kansas], estimated to contain 800,000 acres.

Article III provides that the lands ceded by the treaty of 1828–'33, "and those ceded by this treaty, shall all be included in one patent executed to the Cherokee Nation of Indians, according to the provisions of the act of May 28, 1830," which contained the clause providing for reversion to United States. This patent was granted to the Cherokees in 1838.

In commenting upon the above-mentioned treaties and the act of 1830, the minority argue that the clause of the treaty of 1835, providing that the 7,800,000 acres be patented to the Cherokees according to the act of 1830, provides for the granting of a lesser title than was granted to the Cherokees by former treaties; and that the provision, in the patent subsequently made in conformance thereto, is invalid.

CASE OF HOLDEN VS. JOY.

To support their view, the minority cite the decision of the Supreme Court in Holden *vs.* Joy (17 Wal., page 211), in which the court say:

Strong doubts are entertained whether that (this) condition in the patent is valid, as it was not authorized by the treaty under which it was issued. By this treaty, the United States covenanted and agreed to convey the lands in fee-simple title, and it may well be held that if that condition reduces the estate conveyed to less than a fee, it is void; but it is not necessary to discuss that point.

The minority evidently lay much stress upon the force of this decision, as also upon the opinion of Attorney-General Devens (16 Opinions, 430) upon the same case, in which he held views substantially the same

as those of the Supreme Court which I have quoted. But the most casual reference to the above decision of the Supreme Court and opinion of the Attorney-General will show that they have no relevancy whatever to this discussion, as they were rendered in a case which involved the "800,000 additional" acres of land in Kansas (which the Cherokees in 1876 reconveyed to the United States), and had no reference to the present lands of the Cherokees.

The very language of the court's decision reveals the fact that it did not relate to any of the present domain of the Cherokees; for the court, in the clause of their decision which I have quoted, say:

By this treaty the United States covenanted and agreed to convey the lands n fee-simple title.

I defy any man to find any covenant or agreement of that kind in regard to lands now owned or even claimed by the Cherokees in the treaties of 1828, the supplementary treaty of 1833, or in the treaty of 1835—the very one to which the court in this decision refer. In the treaty of 1828 there is nothing said about a patent or conveyance of any sort; the United States simply "agree to possess," and agree "to guarantee forever." In the treaty of 1833 it merely says:

And letters patent shall be issued by the United States as soon as practicable for the land hereby guaranteed.

Nothing is said as to the interest which it is proposed to patent "as soon as practicable." And, as there is nothing in this treaty inconsistent with the previous act of 1830, and as that act was intended to lay down a general policy, it is to be presumed that the act was kept in view in the making of this treaty.

That the United States and the Cherokees, in their treaty of 1835, regarded the treaty of 1833 as not an independent instrument, but a continuation and part of the treaty of 1828, is evident from the following reference in the second article of the treaty of 1835:

Whereas, by the treaty of May 6, 1828, and the supplementary treaty thereto of February 14, 1833, the United States guaranteed and secured to be conveyed by patent to the Cherokee Nation of Indians the following tract of country.

Notice that this language conveys the idea that the guaranty to convey by patent was made, not alone in the treaty of 1828, nor in that of 1833, but in the treaties of 1828 and 1833 as one transaction. Any other construction to this language would make it express an untruth, for there is no mention of patent or future conveyance in the treaty of 1828.

The treaty of 1835, in regard to which the minority have been led into error by a misapplication of the decision of the court and opinion of the Attorney-General thereupon, contains no provision in regard to patenting in fee-simple to the Cherokees the land now held or claimed by them; but plainly provides (article 3) that it should be patented "according to the provisions of the act of May 28, 1830."

Nothing in the treaties of 1828 and 1833 calls for an absolute fee-title; the general law of 1830 expressly provides otherwise. That law superseded the treaty of 1828; and inasmuch as the treaty of 1833 was expressly for the purpose of curing defects in the treaty of 1828, to supplement it, and was founded upon no new considerations, making substantially the same grant, it was as much subject to the law of 1830 as the treaty of 1828. Moreover, it was in no way inconsistent with that law. The treaty of 1835 calls for the conveyance of no greater interest, as far as the 7,000,000 acres was concerned, than was provided for by the previous treaties of 1828 and 1833 or than was afterward patented in 1838.

Now, to what treaty does the court, in the decision before quoted, refer when they say, "By the treaty the United States agreed to convey the land in fee-simple title?" Not to the treaties of 1828 and 1833, for we have shown that neither treaty contains any such language. It only occurs in the treaty of 1835, and then only in reference to the 800,000 acres in Kansas.

Without discussing the question whether or not the clause in the treaty of 1835 containing this language would be made of no effect by a subsequent clause of the same treaty providing for the patenting of a less estate, we will consider whether, as a matter of fact, this promise to grant an unlimited fee referred to the 7,000,000 acres now occupied by the Cherokees and the Cherokee outlet now claimed by them.

We find that this promise is contained in the latter part of article 2 of the treaty of 1835, and found nowhere else in that treaty, nor, as I have before said, in any previous treaty. It reads:

The United States covenant and agree to convey to the said Indians and their descendants, by patent, in fee-simple the following additional tract of land, situated * * * estimated to contain about 800,000 acres of land.

To this language the court referred.

Relying upon and citing this decision, Attorney-General Devens held that the Cherokees possessed the land involved (the 800,000 acres) by an absolute fee-title. This was in the somewhat famous Kansas school land indemnity case.

The minority admit that Mr. Devens referred only to the 800,000 acres in Kansas, but attempt to place the Cherokee lands in the Indian Territory upon the same footing by saying that they were included in the same patent. That signifies nothing.

The United States had agreed in the previous article (II) of this treaty of 1835 to give the Cherokees an absolute fee-title to those 800,000 acres in Kansas, and that agreement may be admitted to have superseded the general law of 1830 so far as those 800,000 acres were concerned. But the United States had never agreed to give the Cherokees such a title to any other lands, and they had passed a law to grant only a qualified fee to lands in general, and in the final treaty of 1835 had distinctly provided that the land granted the Cherokees should be patented to them in accordance with the act of 1830, erroneously including the 800,000 acres which they had promised to patent by a superior title.

In view of the express provision of 1830, reiterated in 1835, and embodied in the patent itself (1838), and in view of the fact that, as far as the Cherokee lands within the Indian Territory were concerned, there had never been any agreement inconsistent with the law of 1830, I am unable to agree with the minority that the patent of 1838, in so far as it grants less than an absolute fee-simple title to the present domain of the Cherokees, is void.

CASE OF UNITED STATES VS. REESE.

The minority also rely upon the decision of Judge Parker in United States *vs.* Reese (1879), 5 Dil. C. C., 405, to destroy the effect of the treaty of 1835 as far as the lands ceded by the treaty of 1828-'33 are concerned. The judge, in that decision, says:

If the lands had been already ceded by treaty of 1833 (and which cession was recognized by second article of treaty of 1835), then the agreement by the United States by the third article of the treaty of 1835 to give them a patent to these lands, according to act of May 28, 1830, was a mere *nudum pactum*.

In other words, we are to look only to the treaty of 1833 to determine the degree of interest which has been patented to the Cherokees in the Indian Territory. Very well. I have already shown that the treaty of 1833 was only a part of the treaty of 1828; that it was so stated in the treaty itself, and that it was so regarded in the treaty of 1835; that it simply corrected the boundary of that treaty; that it expressly says that it is intended only as a supplement and "not to vary the rights of the parties" to that treaty; consequently it is as much limited by the act of 1830 as was the previous treaty of 1828, which act of 1830 expressly provided that these lands should be patented with condition of reversion to United States, and which, as Judge Parker admits, superseded so much of the treaty of 1828 as is inconsistent with the act.

But admitting for argument's sake that the treaty of 1833 was an independent instrument, that it had no connection with the treaty of 1828, may we not apply the *nudum pactum* argument of Judge Parker to the treaty of 1833 as well as to the treaty of 1835? If the treaty of 1835 was a *nudum pactum*, was not the treaty of 1833 also a *nudum pactum?* May we not apply the language of Judge Parker to the treaty of 1833 and say:

If the lands had been already ceded by treaty of 1828 (and which cession was recognized by the preamble of treaty of 1833), then the agreement by the United States in the first article of the treaty of 1833 to give them a patent to these lands was a mere *nudum pactum*.

In other words, that we are to look only to the treaty of 1828 (and which said nothing about patent or future conveyance of any kind) to ascertain the degree of interest which the Cherokees have in the Indian Territory. But neither Judge Parker nor any one else has denied that the law of 1830, in so far as it affected the title of the Cherokees, was superior to and superseded the treaty of 1828. Consequently the act of 1830 is the fountain of all authority upon the subject, and the patent of 1838 having been made in conformity thereto, is valid in every respect. But however this point may be regarded, it is obvious that the United States intended in the transaction embraced in the treaties of 1828, 1833, and 1835, and the act of 1830, to grant to the Cherokees lands in the Indian Territory by a qualified fee only, and all the opposition to this proposition is based upon the purely technical argument that the treaty of 1833 was an independent instrument, and that (a reference to the law of 1830 having been inadvertently omitted) it superseded the law of 1830.

Whether or not the agreement in Article II of the treaty of 1835 was *nudum pactum*, it is perfectly clear that the United States had not abandoned the policy of 1830; neither had the Indians, else they would not have signed the treaty. The treaty of 1835 was an honest agreement between the United States that these lands should be patented to the Cherokees by the title provided for in the act of 1830, and in the patents granted to all the civilized tribes, and in conformity to the universal, unvarying policy of the Government in regard to Indian titles up to that time; and it was reserved for a later day and generation to discover or attempt to discover a way whereby the Indians can crawl out of their solemn agreement through the very small hole of a *nudum pactum*.

TITLE OF THE CHEROKEE OUTLET.

So far I have discussed the Cherokee title in general. I wish now to speak more particularly of what I started to discuss a little while ago—the Cherokee Outlet, 6,022,844 acres.

While I am bound to confess that the title to this land was conveyed to the Cherokees by the patent of 1838, I assert here and now that when the treaty of 1828 was made promising them the 7,000,000 acres, the "perpetual outlet west," and the "free and unmolested use of all the country lying west of the western boundary" of the 7,000,000 acres, it was not the intention of the Government to promise more than the 7,000,000 acres and a perpetual use of an outlet west; the intention to grant any title to the soil of the outlet west was not entertained by the Government or the Cherokees, as I shall show conclu-

sively further on; and it was only by an extremely liberal and loose construction of the treaty of 1828 that those acting for the Government were induced to include it within the patent of 1838.

The article of the treaty of 1828 referred to reads:

ART. 2. The United States agree to possess the Cherokees and to guarantee it to them forever, and that gurantee is hereby solemnly pledged, of 7,000,000 of acres of land, to be bounded as follows, namely [describing the territory]. In addition to the 7,000,000 of acres thus provided for and bounded, the United States further guarantee to the Cherokee Nation a perpetual outlet west, and a free and unmolested use of all the country lying west of the western boundary of the above-described limits, and as far west as the sovereignty of the United States and their right of soil extend.

Now, Mr. Chairman, if the intention had been to include the soil of the outlet, together with the soil of the 7,000,000 acres, in a future patent to these Cherokees, why did not the treaty of 1828 intimate that fact? On the contrary, there is a plain distinction, as much distinction as possible, for the few words employed, preserved in that treaty between the 7,000,000 acres of land and the outlet and use. Furthermore, there was never any authorization of a patent to the lands of the outlet. The treaty of 1828, as I have stated, contained no stipulation for nor mention of any future conveyance.

The supplementary treaty of 1833 contains the same description of the property guaranteed to the Cherokees, as does the treaty of 1828, and says further (I am now quoting article 1 of that treaty): "and letters patent shall be issued by the United States as soon as practicable for the land hereby guaranteed"—for the land, not for the privilege of an outlet.

I will here quote as much of Article I of this supplemental treaty of 1833 as relates to this point:

The United States agree to possess the Cherokees and to guarantee it to them forever; and that guarantee is hereby pledged (subject, of course, to the provisions of the law of 1830) of 7,000,000 acres of land, to be bounded as follows: * * *

In addition to the 7,000,000 acres of land thus provided for and bounded, the United States further guarantee to the Cherokee Nation a perpetual outlet west and a free and unmolested use of all the country lying west of the western boundary of said 7,000,000 of acres as far west as the sovereignty of the United States and their right of soil extend. * * * and letters patent shall be issued by the United States as soon as practicable for the land hereby guaranteed.

It does seem to me, Mr. Chairman, that the mere reading of this article ought to be sufficient to convince any lawyer of the absurdity of the claim that there was any intention expressed or implied to patent any land except the 7,000,000 acres "thus provided for and bounded."

In the treaty of 1835 a patent is provided for in nearly the same language:

The United States also agree that the lands above ceded by the treaty of February 14, 1833, including the outlet—

The land of the outlet was not ceded in 1833, as I have shown, but only the use of the land—

and those ceded by this treaty shall all be included in one patent executed to the Cherokee Nation of Indians by the President of the United States according to the provisions of the act of May 28, 1830.

Here provision is made for the future conveyance to the Cherokees of what? (1) The 7,000,000 acres of land ceded in 1828 and 1833; (2) the 800,000 acres of land ceded by this (1835) treaty; (3) the privilege of an "outlet" west. Nothing else was called for or thought of, and the survey and patenting of the land of the outlet was without authority and without consideration.

But, Mr. Chairman, I propose to show by documentary proof that it was the express understanding between the Government and the Cherokees that the latter were never to acquire any title to the land of the outlet.

UNDERSTANDING BETWEEN THE UNITED STATES AND THE CHEROKEES IN 1821.

I desire to call the special attention of gentlemen to the preamble of he treaty of 1828:

Whereas the present location of the Cherokees in Arkansas being unfavorable to their repose, and tending, as the past demonstrates, to their future degradation and misery; and the Cherokees being anxious to avoid such consequences, * * * resting also upon the pledges given them by the President of the United States and the Secretary of War of March, 1818, and 8th of October, 1821, in regard to the outlet to the west, and as may be seen on referring to the records of the War Department. * * *

Now, sir, I was led to inquire at the War Department whether there could not be found some records bearing upon the question suggested in this treaty as to the understanding between the Indians and the Government in regard to the outlet. After a laborious search among the musty records of the Department, with the assistance of the courteous gentlemen who have charge of them, I found the very "pledges" mentioned in the treaty of 1828 as having been given to the Cherokees in 1818 and 1821 by the President and the Secretary of War. The first is the record of a "conversation" had between the Secretary of War and the Cherokee Indians in March, 1818. It is entitled "Talk to the Cherokee deputation of the Arkansas," and is as follows:

To General TONLONLUSKY,
Chief and Warrior of the Cherokee:

MY FRIENDS AND CHILDREN, NATION OF THE ARKANSAW COUNTRY: * * * The country which you give up is a good country, and it is near and very convenient to us, and I shall in return act generously toward you and endeavor to make you happy in your new homes on the Arkansaw. I have not yet obtained the land lying up that river, to the west of your settlement.

I will give instructions to Governor Clark to hold a treaty with the Quapaws this summer in order to purchase them, and when purchased I will direct them to be laid off for you. It is my wish that you should have no limits to the west: so that you may have good mill-seats, plenty of game, and not be surrounded by the white people.

By the President of the United States.

JAMES MONROE.
J. C. CALHOUN,
Secretary of War.

Then follows a letter from John C. Calhoun (then Secretary of War), signed "J. C. C." It is addressed to the Cherokee delegation, and dated "Department of War, 11 February, 1819." Although this letter is not strictly pertinent to the point immediately under discussion, yet its sentiments are so much in advance of those entertained by certain so-called modern champions of the Indians that I deem it not inappropriate to quote it here in full.

If the statesman-like advice of Secretary Calhoun had been heeded, and the Government had from that time to this energetically pursued the one policy of curtailing the Indian reservations and compelling the Indians to adopt civilization by making such a course necessary to their existence, we should not have had these fifty years of Indian degradation and filching from the national Treasury.

The letter referred to reads as follows:

It is understood that the delegation, in behalf of their nation, wishes to strengthen the guarantee of that portion of the land which may be left to them after making the proposed cessions, so that it may be to them a permanent and lasting home without further cessions. To secure such great benefits it is indispensable that the cessions which they may make should be ample, and the part reserved to themselves should not be larger than is necessary for their wants and convenience. Should a larger quantity be retained it will not be possible by any stipulation in the treaty to prevent future cessions. So long as you may retain more land than what is necessary or convenient to yourselves, you will feel inclined to sell and the United States to purchase. The truth of what I say you know can not be doubted, as your own experience, and that of all Indian nations, proves it to be true. If on the contrary you only retain a suitable quantity no more cessions will be asked for or made, and they will be settled down permanently.

You are now becoming like the white people; you can no longer live by hunting, but must work for your subsistence. In your new condition far less land is necessary for you. Your great object ought to be to hold your land separate among yourselves as your white neighbors. * * * Without this you will find you will have to emigrate or become extinct as a people.

I come now to the most important of these documents with reference to the point I am discussing. It is dated "Department of War, 8th October, 1821." On the left margin are the names of a number of Cherokee chiefs. The paper is as follows, and I wish to state that I refer to the original document, made out by Secretary Calhoun, and now on file in the Indian Office:

DEP'M'T OF WAR, *8th Oct'r*, 1821.

Teke-e-toke, John Jolly, Black Fox, W. Webber, Thos. Graves, } Chiefs of the Arkansaw Cherokees.

BROTHERS: I have received your communication of the 24th of July last, complaining that the promises of the Government in relation to intruders upon your lands and to an outlet to the west have not been performed. It has always been its intention to carry into effect fully every promise made to you, and which I was under the impression had been done, particularly upon the points complained of, as orders were issued some time since for the removal of the whites from your lands and from the tract of country to the west of your reservation, commonly called "Lovely's Purchase," by which you would obtain the outlet promised. Copies of these orders are herewith inclosed for your information.

The "Lovely Purchase" here referred to was the country to the west of the reservation in Arkansas, and forming a part of the present domain of the Cherokees.

Governor Miller, who is now here, on his return to the Arkansaw Territory, informs me that he knows of but one person who has settled upon your lands, and he believes that person resides there with the permission of the nation.

He is, however, authorized to call the attention of Major Bradford to the orders above referred to, and if they should not have been prev iously carried into effect to request him to do so without further delay.

Now, Mr. Chairman, I ask special attention to the following language:

It is to be always understood that in removing the white settlers from Lovely's purchase for the purpose of giving the outlet promised you to the west you acquire thereby no right to the soil, but merely to an outlet, of which you appear to be already apprized, and that the Government reserves to itself the right of making such disposition as it may think proper with regard to the salt springs upon that tract of country.

The words "right to the soil, but merely to an outlet" are italicized in the original document.

The document continues:

Governor Miller is also fully authorized to receive and adjust any other complaints you may have to make, which it is believed can be done satisfactorily by him upon the spot, without your sending a deputation for that purpose, as you express a wish to do. If, however, he should find any difficulty in the business and think it of sufficient importance for you to send on a delegation, he is vested with discretionary power to grant you power to send one in the spring.

I understand that some of your nation have settled to the south of the Arkansas River on our lands, and as it is equally improper for your people to occupy our lands as for our people to occupy yours, it is expected that you will immediately order all your people to remove from the south to the north side of the river within the limits of your reservation; which, if not done in a reasonable time, Governor Miller is instructed to take the necessary measures to effect.

I remain your friend and brother,

J. C. CALHOUN.

The correctness of my copy of this original paper is attested by the chief clerk of the Indian Office, with whom I compared it and the original, as follows:

A true copy.
A. B. UPSHAW,
Chief Clerk.

Mr. BARNES. What is the date of that?

Mr. STRUBLE. October, 1821—the date referred to in the treaty of 1828, in which the Indians agreed, by reference to this instrument, that they were to be bound by it, acknowledging that they knew of its existence and understood its terms.

Another point which proves conclusively that the United States had no intention of yielding the title to the land of the outlet is in the reservation of the right on the part of the United States to allow other Indians to get salt upon the outlet in common with the Cherokees. That provision is found in identical language in Article I of the supplemental treaty of 1883, and in Article II of treaty of 1835. It reads:

Provided, however, That if the saline or salt plain on the Western Prairie shall fall within said limits prescribed by said outlet, the right is reserved to the United States to permit other tribes of red men to get salt in said plain in common with the Cherokees.

Why should the United States be the custodian of such permission if they were to be deprived of the ownership of that outlet? If it was desired to secure to other Indians this right of access to the salt springs, why did not the treaties say that "the Cherokees shall permit it," &c.? Simply because there was no intention that the Cherokees would ever acquire any title to that outlet which would give them the right or authority to make such a concession.

Now, Mr. Chairman, I ask what stronger evidence we need to prove that the understanding in 1828, when the 7,000,000 acres and the "outlet" were first granted, was, as Mr. Calhoun said, that the Cherokees were not to have a title to the soil of the outlet, but merely the right to the use of an outlet?

[Here the hammer fell.]

Mr. HILL. I hope the gentleman's time will be extended, as he has been interrupted.

Mr. SPRINGER. It was understood that the time occupied by the gentleman from Louisiana [Mr. KING] should not be taken from the time of the gentleman from Iowa [Mr. STRUBLE].

The CHAIRMAN. The gentleman from Iowa will have fifteen minutes additional.

Mr. STRUBLE. Is there anything to show, Mr. Chairman, that this understanding has ever been altered? Certainly nothing but the bare provisions in the supplemental treaty of 1833 and the treaty of 1835 that the outlet should be patented along with the land, 7,800,000 acres, ceded in 1828 and 1835. There is not a shadow of evidence that either treaty contemplated the patenting of the land of the outlet, together with the other 7,800,000 acres. The Indians never asked anything of the kind.

Mr. BROWN, of Pennsylvania. How many acres were there in the outlet as originally patented?

Mr. STRUBLE. The area of the original outlet was never known, because it was surveyed in a body with the 7,000,000 and the 800,000 acres east.

When we speak of the present area of the outlet as being 6,022,844 acres we mean the land west of 96° minus the lands sold since 1866 by the United States to the Osages, Kaws, Nez Percés, Otoes and Missourias, and Pawnees.

The line of 96° was merely an arbitrary line agreed upon by the United States and the Cherokees as the eastern boundary of the country over which the United States might settle such friendly Indians as they saw fit. But the eastern boundary of the original outlet was never ascertained, because it was never run as it should have been. I suppose there were about 8,000,000 acres in that outlet.

Now, when the Eastern Cherokees proposed to join their brethren on the Arkansas, and it was apprehended that the 7,000,000 acres would not suffice for their combined numbers, what was done? Why, the Government, for the consideration of $500,000, ceded them in 1835 "800,000 additional acres" in Kansas, not about 8,000,000 additional acres to the west of their 7,000,000 acres; yet in the same treaty provision was made for patenting to them an outlet, showing that nothing was more foreign to the understanding of the parties to that treaty than that the title to the land of the outlet was to be patented to the Cherokees. What consideration is it now claimed by the Cherokees or the cattle-men that the Cherokees paid for obtaining a patent to about 8,000,000 additional acres of land? There is no consideration anywhere hinted at for such a patent.

Then, why was that outlet surveyed and the land patented in 1838 to the Cherokees? No treaty or conference ever even authorized the survey of that outlet. The treaty of 1828 provided (article 2) for a running of "the lines of the above cession without delay." But this evidently referred to the exterior lines of the 7,000,000 acres. There was no "cession" except of the 7,000,000 acres, although an outlet was guaranteed. The supplementary treaty of 1833 contained no reference at all to a running of any lines. It is natural, however, to infer that a survey of the lines of the cession as corrected, but only of the cession, was contemplated by the treaty. The same is true of the final treaty of 1835.

The fact that the exterior lines of the outlet were, in 1836, run by General McCoy at the request of the Interior Office, signifies nothing as to the intention of the Government to patent the land of the outlet.

Disregarding this plain understanding with the War Department, as evidenced by these documents which I have quoted, or forgetting, by reason of this language in the treaty of 1835, their provisions, the Department construed that there should be a patent to the whole 14,374,135.14 acres, including the land of the outlet; and that land of the outlet was patented contrary to the terms of the grant and contrary to this plain understanding, as shown by indisputable records in the War Department.

Now I confess that during all these years from the issuing of the patent, which was in 1838, the Government has treated this land as belonging to the Indians; but there is where the trouble began. Contrary to the plain understanding between these Indians and the Secretary of War, an understanding which was made a matter of record, a liberal construction or a forgetfulness of these documents to which I have referred resulted in the enlargement in the patents of the right to this Cherokee outlet.

But gentlemen may say, "What does it all signify? After the Government of the United States has for all these years recognized these Indians as possessing title it is too late now to raise any question on that point." Mr. Chairman, we are confronted in this discussion with the plea of our friends on the other side that there are equitable considerations in behalf of these Indians; and we are reminded that the Government of the United States can not in equity violate these equitable obligations.

I wish, Mr. Chairman, to call the attention of the committee to the fact that the Government, the people of this country, have equities as well as the Indians, and that the officers of this Government, the alleged servants of the aforesaid people, have, through an unwarranted liberality and by an unjustifiable construction of these treaties, conveyed to these Cherokees about 8,000,000 acres of land which they should not have had under any circumstances whatever; and that the patent of 1838 should be declared void as far as it relates to the Cherokee outlet, and that that rich domain, now wholly given up to great moneyed corporations, who are raising steers for 28 cents a head to compete with the cattle raised by our small farmers, be restored to its rightful owners, the people.

WHAT IS "INDIAN COUNTRY?"

Mr. Chairman, I shall, if granted the time, show more fully the character of the present occupancy of this outlet. I now desire to discuss the question of what is Indian country, because the persecution of immigrants who have attempted to settle within the limits of the proposed Territory of Oklahoma has been justified by what I claim to be a wholly erroneous view of that question, and because I shall, from my interpretation of the law governing the question, take the liberty to criticise such persecution. And, sir, in this connection I do not hesitate to take issue with the minority of the Committee on Territories and with their chief [and indeed only authority, the able and learned Judge Parker of the western district of Arkansas.

The only question left to be considered in regard to the right of settlement in Oklahoma by United States citizens is whether or not it is "Indian country," as contemplated by the Revised Statutes regulating intercourse with the Indians. And here again we find a solid array of legal opinion that lands similarly situated are not in any sense "Indian country." No court, with the exception of Judge Parker, has ever considered this question in its bearings upon Oklahoma, notwithstanding the oft-repeated and persistent efforts of would-be settlers to force the matter before the courts.

The first act of Congress defining Indian country was that of March 30, 1802, 2 Stat., 139. The first section of that act devotes over a page to the description of what shall be regarded as Indian country, and declares that such country shall be distinctly marked by order of the President, and be considered as the line of the Indian Territory, or Indian country, as it is indifferently called in several sections of the act. The country west of the Mississippi River then belonged to France. The country described in the act of 1802 lay to the north of the Ohio and west of a line drawn from between the mouths of the Cumberland and Tennessee Rivers through Tennessee, Kentucky, and Georgia to the Saint Mary's River. From that time up to 1834, though there were many acts passed governing intercourse with the Indians, no other attempt was made to define the Indian country.

The only provisions of law ever enacted which made this particular Territory now under discussion a part of the Indian country was section 1 of the "Indian-intercourse" act of June 30, 1834, 4 Stat., 729, which read as follows:

SECTION 1. *Be it enacted*, That all that part of the United States west of the Mississippi River and not within the States of Missouri and Louisiana, or the Territory of Arkansas, and also that part of the United States east of the Mississippi River, and not within any State, to which the Indian title has not been extinguished for the purposes of this act, be taken and be deemed to be Indian country.

Mr. Justice Miller, in Bates *vs.* Clarke, 5 Otto 204, quoting this section, says:

If the section which we have given verbatim be read with a comma after the word "State," or if, without the insertion of any point there, we read it so as to apply the words "to which the Indian title has not been extinguished" to all the region mentioned in the section, we have a criterion which will always distinguish what is Indian country from what is not, so long as the existing system governing our relations with the Indians is continued.

The judge then proceeds to show the absurdity of the rendering, if

the comma be omitted, and the phrase be considered to apply to "State;" and says further:

On the other hand, if the section be read as describing lands west of the Mississippi, outside the States of Louisiana and Missouri and the Territory of Arkansas, and lands east of the Mississippi not included within any State, but lands alone to which the Indian title has not been extinguished, we have a description of the Indian country which was good then and which is good now, and which is capable of easy application at any time.

The judge continues:

Notwithstanding the immense changes which have since taken place in the vast regions covered by the act of 1834, by the extinguishment of Indian titles, the creation of States, and the formation of Territories, Congress has not thought it necessary to make any new definition of Indian country; yet, during all this time, a large body of laws has been in existence whose operation was confined to the Indian country, whatever that may be; and men have been punished by death, by fine, and by imprisonment, for which the courts who so punished them had no jurisdiction, if the offenses were not committed in the Indian country as established by law.

"These facts afford the strongest assumption that the Congress of the United States and the judges who administered those laws must have found in the definition of Indian country, in the act of 1834, such an adaptability to the altered circumstances of what was then (1834) Indian country as to enable them to ascertain what it was at any time since then.

"The simple criterion is that, to all the lands thus described, it was Indian country, whenever the Indian titel had not been extinguished; and it continued to be Indian country so long as they had title to it, and no longer. As soon as they parted with the title it ceased to be Indian country, without further act of Congress, unless by the treaty by which the Indians parted with their title, or by some act of Congress a different rule was made applicable to this case.

"In the case of the American Fur Company *vs.* United States (2 Peters, 358), decided in 1829, the goods of the company had been seized for violation of the laws, by their introduction into the country, under the act of 1802.

"This court held that, if, by treaties made with the Indians after the passage of that act, their title to the region where the offense was committed had been extinguished, it had thereby ceased to be Indian country and the statute did not apply to it.

"So in the case of United States *vs.* Forty-three Gallons of Whisky, decided at the last term (93 United States, 188), where this act of 1834 was fully considered, while the court holds that by a certain clause in the treaty by which the *locus in quo* was ceded by the Indians, it remained Indian country until they removed from it, the whole opinion goes upon the hypothesis that, when the Indian title is extinguished, it ceases to be Indian country unless some such reservation takes it out of the rule.

"It follows from this that all the country described by the act of 1834 as Indian country remains Indian country so long as the Indians retain their original title to the soil, and ceases to be Indian country whenever they lose that title, in the absence of any different provisions by treaty or by act of Congress."

In the case of The American Fur Company *vs.* United States, above referred to by Justice Miller, the court lays down this rule, that—

A section of country which has been purchased by the United States, although still frequented and inhabited exclusively by Indians, is not to be regarded as Indian country within the act of Congress regulating trade and commerce with the Indians. Since the Revised Statutes, section 5596 of which repealed the Indian-intercourse act of 1834, the only Indian country consists of the various Indian reservations.

If "a section of country which has been purchased by the United States, although still frequented and inhabited exclusively by Indians," is not to be regarded as Indian country, how can the term be used of a country where no Indians have been since 1866?

In the case of Forty-three Gallons of Cognac Brandy (11 Federal Report, 47), decided in the circuit court for the district of Minnesota, March 24, 1882, this doctrine is laid down by Judge McCrary:

Section 1 of the act of Congress of June 30, 1834 (4 Statutes, 792), defining the Indian country as "all that part of the United States west of the Mississippi and not within the States of Missouri and Louisiana and the Territory of Arkansas, and also that part of the United States east of the Mississippi River and not within any State, to which the Indian title has not been extinguished, was repealed by the section 5596 of the Revised Statutes, and consequently the description of the Indian country found in section 1 of the act of 1834 is no longer a part of the law of the land."

In United States *vs.* Martin, 14 Federal Reports, 817, decided in the district court of Oregon in 1833, the court uses this language:

Since the repeal of section 1 of the Indian-intercourse act of 1834 (4 Statutes, 129) by section 5596 of the Revised Statutes, the only Indian country in the United States within the purview of that phrase, as used in chapter 4, title 28 of the Revised Statutes, is the tract set apart by the United States for the exclusive use and occupancy of particular Indian tribes and known as Indian reservations.

Now, admitting for argument's sake that Article III of the Creek and Seminole treaties of 1886 amounted to a reservation for the purpose of settling friendly Indians upon the land involved, it did not operate to bring this land within the meaning of the term "Indian country," not reserving said land for any "particular Indian tribes."

The court, in United States *vs.* Sevaloff (2 Sawyer, 311, 1872), says:

Only that part of the United States declared to be such by act of Congress is Indian country. A country which is owned or inhabited in whole or in part by Indians is not therefore a part of the Indian country.

This case involved the question whether or not Alaska was Indian country. It was held by the court that neither the act of 1834 nor the act of 1864 (March 15) making the disposition of spirituous liquors to Indians a crime applied to Alaska, because it was acquired after the passage of these acts, the court holding the language above quoted.

Judge Foster, in Goodfellow *vs.* Muckey (1 McCrary, 238), Circuit Judge Dillon concurring, said:

Grants and reservations claimed under Indian treaties are strictly construed against the grantee or beneficiary.

The case United States *vs.* Leathers (6 Sawyer, 17) involved the question whether or not an Indian reservation in Nevada was Indian country. It was argued on behalf of the United States that Nevada was Indian country by virtue of the Indian-intercourse act of 1834, also of section 7 of the appropriation act of 1851 (9 Stat., 587), which enacts that "all the laws now in force regulating trade and intercourse with the Indian tribes, or such provisions of the same as may be applicable, shall be, and the same are hereby, extended over the Indian tribes in New Mexico and Utah," Nevada being at that time a part of Utah; also of the sixteenth section of act of March 2, 1861, organizing the Territory of Nevada, and of section 2, act of March 21, 1864, enabling the people of Nevada to form a State government, both the latter acts extending the laws of the United States not locally inapplicable over Nevada.

Judge Hillyer, delivering the opinion and citing United States *vs.* Sevaloff, before alluded to, said:

The act of 1834, which in 1851 contained nearly all the law regulating intercourse with the Indians, defines the term "Indian country," and fixes its boundaries. Utah was not then a part of the United States, and did not become Indian country by the act of 1834.

The general provisions of 1851, 1861, and 1864, extending the intercourse laws of the United States over that region, do not make it Indian country.

Referring to the omission from the Revised Statutes of the section of the act of 1834 defining Indian country, Judge Hillyer continues:

It seems to me that the changed condition of the region embraced in that definition of Indian country no doubt induced Congress to leave it out as no longer applicable.

There is, then, if I am right in this, no longer any statutory definition of Indian country, and at the same time the term is retained in a number of important sections of the Revised Statutes, and the question is, to what does the term now apply, and does it include an Indian reservation?

The judge then proceeds to argue that the term must necessarily have been intended by the Revised Statutes to apply to Indian reservations, and that it did not apply to anything else.

Citing Bates *vs.* Clarke before mentioned, he says further:

It follows that, unless these various Indian reservations are "Indian country," and if we are still bound by the definition in the act of 1834, there is little or no country to which the various sections of the Revised Statutes regulating intercourse with the Indians can apply.

The court, in United States *vs.* Bridleman (7 Sawyer, 243), decided in the district court of the district of Oregon, in 1881, say:

There is also much force in the suggestion made by Mr. Justice Hillyer, in United States *vs.* Leathers, that, as section 1 of the act of 1834 was repealed by title 74, Revised Statutes, there is now no Indian country to which the various provisions of title 28, Revised Statutes, can apply, unless the several reservations set apart for the exclusive use of the Indians are considered to be such.

See also United States *vs.* Tom (1 Oregon, 26).

I quote again from that eminent jurist and lawyer, Judge McCrary. In the case of Pelcher *et al. vs.* United States, decided in Minnesota in 1882, and which involved the question of the legality of the seizure of liquors brought into what was alleged to be Indian country, the judge decided that the Revised Statutes had repealed the Indian-intercourse act, and that the lands involved in the case were not Indian country. After quoting the act of 1834 and the repealing clause (section 5596) of the Revised Statutes, and arguing that the act of 1834 was not a "private, local, or temporary" measure within the purview of this repealing clause, but a public, general, and permanent one, and that consequently it would not come under the exception to the repealing force of said section, Judge McCrary proceeds:

Upon one point I am clear. If necessity compelled the court to determine the meaning of the words "the Indian country," in the absence of any statutory definition I should in a criminal case, in obedience to the rule which requires that the words in a penal statute shall be construed strongly in favor of the accused, hold that the Indian country is that portion of the public domain which is set apart as a reservation, or as reservations, for the use and occupancy of the Indians, and not the whole vast extent of the national domain to which the Indian title has not been extinguished. I should feel constrained, if I were to define these terms, to construe them as synonymous with Indian reservations.

It will be remembered that Judge McCrary, in Forty-three Cases Cognac Brandy, before cited, held that the fact that a particular tribe of Indians have for a long time occupied a particular tract of country, or that a particular tract has been referred to in treaties and official reports as a particular Indian reservation, does not therefore constitute that tract an Indian reservation. No more would those facts constitute it Indian country, Indian country and Indian reservation being, according to Judge McCrary, in Pelcher *vs.* United States, before cited, synonymous.

In United States *vs.* Barnhart, 22 Federal Reports, 285 (1884), Justice Matthews, citing United States *vs.* Bridleman and United States *vs.* Martin, cases which I have before quoted, also the case of Ex-Parte Crow Dog, 109 United States, 526, said:

The term "Indian country" applies to all the country to which the Indian title has not been extinguished and actually in the exclusive occupancy of Indians.

It was decided by Judge McCrary that section 1 of the act of Congress of June 30, 1834, known as the "trade and intercourse act," was repealed by the Revised Statutes; and that consequently we have no act of Congress defining the Indian country. Judge Hillyer in the case above cited, the Senate Committee on Indian Affairs, and Hon. Commissioner Price concurred with Judge McCrary on this point. (See Senate Report No. 773, Forty-seventh Congress, first session.)

On account of this consensus of opinion on the part of the above gentlemen, a bill was drafted by the Commissioner and sent to the Senate

committee; but Judge Hillyer and the Commissioner did not think such a bill necessary, inasmuch as it was "well established" that the term included only lands allotted to the use and occupation of the Indians.

In view, then, of the fact that the Revised Statutes repealed the part of the act of 1834 defining the Indian country, so that we have to-day no definition of the term, and in view of the further fact that an unbroken line of authorities hold that the act of 1834 was never intended to embrace any lands except definitely defined Indian reservations, we can not possibly arrive at any other conclusion than that Oklahoma is not, and has not been since 1866, Indian country, and that no law regulating trade and intercourse with the Indians affects it in any way whatever. Consequently the attempts of settlers to establish for themselves and families homes in that country were perfectly lawful, were contemplated and provided for by the Revised Statutes, and were in accord with the general policy of the Government; and the use of the Army to expel these lawful settlers, resulting only to the benefit of cattle syndicates and "squaw" whites, was an arbitrary and unconstitutional act; and the repeated failures of the would-be settlers to obtain a decision upon the legal status of that country are a monstrous disgrace to American justice and honor.

[Here the hammer fell.]

Mr. SPRINGER. I ask unanimous consent that the gentleman from Iowa may be permitted to occupy fifteen minutes more.

Mr. WELLBORN. I hope the gentleman from Iowa may be permitted to conclude his remarks.

The CHAIRMAN. Without objection, the gentleman will proceed.

Mr. STRUBLE. I thank gentlemen for their kindness, and especially my friend from Oregon for his forbearance, when I know I am intruding upon his time. I wish to refer, however, to the condition of both the Cherokee outlet and Oklahoma in reference to the present occupancy of those lands. I state for the benefit of the honorable chairman of the Committee on Territories [Mr. HILL] that both the outlet and Oklahoma are entirely overrun with cattle, and have been ever since this administration came into power; that there are more cattle there than ever before; and that they are daily augmenting in numbers; and that the much trumpeted expulsion of the greedy cattle kings from Oklahoma by a reform Democratic administration was a farce and intended to be a farce.

I have shown that the Cherokees, Creeks, and Seminoles have no rights on these lands; they claim no rights or title to them. The only claim the Indians have ever made was that the United States held the lands in trust for some other Indians to be brought some time from somewhere and settled there, but I hope I have succeeded in overthrowing that theory. And whether I have or not the Government plainly disavows any intention of massing any more Indians in the Indian Territory, and it does not propose to cede the land back to these three tribes. So the only question is between the cattle kings and the people as represented by their Government. There can be no dodging this issue. Neither, I am pained to know, is there any dodging the conclusion that the present administration is unequivocally on the side of the cattle kings in this controversy.

GRAZING LEASES IN THE INDIAN TERRITORY.

This domain upon which neither Indians nor white citizens are settled is partitioned among cattle companies. I hold in my hand a list of the lessees of land in the Indian Territory as prepared by the honorable Secretary of the Interior, and which I wish to incorporate in my remarks.

No.	Date.	By what tribe made.	To whom made.	Location of lands.	Acres.	Term.	Rental or price per acre.	Remarks.
1	July 5, 1883	D. W. Bushyhead, chief on behalf of Cherokee Nation.	Cherokee Strip Live Stock Association.	Cherokee lands west of 96°, known as Cherokee Outlet, Indian Territory.	6,000,000	Five years from Oct. 1, 1883.	$100,000 per annum, semi-annually in advance.	Copy on file in Department.
1	Jan. 8, 1883	Cheyenne and Arapaho.	E. Fenlon, Leavenworth, Kans.	Cheyenne and Arapaho reservation, Indian Territory.	564,480	Ten years ...	2 cents per acre.	Do.
2	Jan. 8, 1883	.....do.....	W. E. Malaley, Caldwell, Kans.	.....do.....	564,480	.....do.....	.....do.....	Do.
3	Jan. 8, 1883	.....do.....	H. B. Denman, Washington, D. C.	.....do.....	575,000	.....do.....	.....do.....	Do.
4	Jan. 8, 1883	.....do.....	J. S. Morrison, Darlington, Ind. Ter.	.....do.....	138,240	.....do.....	.....do.....	Do.
5	Jan. 8, 1883	.....do.....	L. M. Briggs, Muscotah, Kans.	.....do.....	318,720	.....do.....	.....do.....	Do.
6	Jan. 8, 1883	.....do.....	A. G. Evans, Saint Louis, Mo.	.....do.....	456,960	.....do.....	.....do.....	Do.
7	Jan. 8, 1883	.....do.....	R. D. Hunter, Saint Louis, Mo.	.....do.....	500,000	.....do.....	.....do.....	Do.
8	Oct. 15, 1883	.....do.....	George E. Reynolds, Kansas.	.....do.....	714,240	..... do.....	.....do.....	Do.
					3,832,120			
1	Sept. 29, 1883	Osage.....	Florer & Pollock.....	Osage reservation, Indian Territory.	75,000	Unknown....	3 cents per acre.	No copy on file in Department.
2	Nov. 7, 1883	.....do.....	E. M. Hewins.....	.....do.....	80,000	.....do.....	3½ cents per acre.	Do.
3	Nov. 8, 1883	.....do.....	Leahy & Carpenter ...	.....do.....	50,000	.....do.....	3 cents per acre.	Do.
4	Nov. 8, 1883	.....do.....	Waite & King.....	.....do.....	45,000	.....do.....	.....do.....	Do.
5	Nov. 8, 1883	.....do.....	John Sodestran	.....do.....	50,000	.....do.....	.....do.....	Do.
6	Nov. 8, 1883	.....do.....	Crane & Lorimer.	.....do.....	80,000	.....do.....	.....do.....	Do.
					380,000			
1	Oct. 1, 1883	Kansas or Kaw.....	T. J. Gilbert	Kansas or Kaw reservation, Indian Territory.	52,000	..... do.....	4 cents per acre.	Do.
2	Unknown.	.....do.....	W. J. Pollock.....	.....do.....	300	.....do.....	50 cents per acre.	No copy on file in the Department. Under cultivation.
1	Mar. 19, 1883	Charles Qaupaw and Quapaw tribe of Indians.	H. R. Crowell, Kansas	Quapaw reservation, Indian Territory.	Unknown.	Two years, with renewal privilege.	$3,000 per annum.	Copy on file in Department.
1	Unknown.	Ottawa.....	.....do.....	Ottawa reservation, Indian Territory.	5,000	Unknown....	12½ cents per acre.	No copy on file in Department.
1	Unknown.	Miami.....	J. W. Preston.....	Miami reservation, Indian Territory.	8,640	.....do.....	10 cents per acre.	Do.
1	Unknown.	Nez Percé.....	Unknown	Oakland reservation, Indian Territory.	*45,000	Five years...	$2,000 per annum.	No copy on file in Department. Nez Percés removed to Idaho and Washington Territories.
1	July, 1885	Tonkawa.....	Cowley County Cattle Company.	.....do.....	*45,000	Ten years....	$1,125 per annum.	No copy on file in Department.
2	July, 1885	Tonkawa.....	Holton, Hill & Thomas.	Oakland reservation, Indian Territory.	*35,000	Ten years....	$875 per annum.	No copy on file in Department.
1	Oct. 9, 1884	Ponca.....	J. H. Sherburn.....	Ponca reservation, Indian Territory.	*50,000	Five years...	$1,700 per annum.	Do.
1	June, 1883	Pawnee	Bennett & Dunman...	Pawnee reservation, Indian Territory.	130,589	.....do.....	3 cents per acre.	Do.
2	June, 1883	.....do.....	Davis & Gillespie.....	.....do.....	22,985	.....do.....	.....do.....	Do.
1	June, 1883	Otoe and Missouria...	Rainwater Cattle Company.	Otoe and Missouria reservation, Indian Territory.	*92,160	.....do.....	$2,100 per annum.	Do.
1	Oct. 10, 1884	Sac and Fox.....	Warren, Lambert & Moore, Kansas.	Sac and Fox reservation, Indian Territory.	200,000	10 years.....	$4,000 per annum.	Do.

No.	Date.	By what tribe made.	To whom made.	Location of lands.	Acres.	Term.	Rental or price per acre.	Remarks.
1	Unknown..	Citizen band of Pottawatomies.	Catherine Griffinstein.	Pottawatomie reservation, Indian Territory.	400,000	Unknown..	$5,000 semi-annually.	No copy on file in Department. Lease to be approved by the President and the Department. (Lease not approved.)
1	Feb. 5, 1884	Iowa.....	C. C. Pickett and E. B. Townsend.	Iowa reservation, Indian Territory.	220,000	.....do.....	60 cents per head, &c.	No copy on file in Department.
1	July 8, 1885	Mexican Kickapoo.....	N. B. Childs and S. F. Scott.	Kickapoo reservation, Indian Territory.	190,000	5 years.....	$5,000 per annum.	Do.
1	Dec. 23, 1884	Kiowa, Comanche, and Wichita.	B. B. Groom, Lexington, Ky., and others.	Kiowa, Comanche, and Wichita reservation, Indian Territory.	309,440	6 years...	6 cents per acre, in cash or cattle.	Copy on file in Department.

* Estimated.

This list of leases foots up to about 12,000,000 acres. In accordance with the President's proclamation of July 23, 1885, some of the leases in the Cheyenne and Arapaho country (though not all, as I shall show) have been vacated.

LEASES OF THE CHEROKEE OUTLET.

The 6,000,000 acres of the Cherokee outlet is subdivided into nearly one hundred subleases.

The following is a list of some of the cattle ranges in Oklahoma and the Cherokee outlet as they are mapped out and designated on an official map published for private use by the Cherokee Strip Live-Stock Association.

This map bears the following:

This map was compiled from surveys of ranges made for the association in 1883 by S. T. Wood, Fred. Eckert, T. W. Walton, and C. H. Burgess, and is believed to contain the best information accessible for the location of ranches, camps, range-lines, &c.

It does not give the acreage of the different ranches, and it is impossible to obtain that information from sources at my command. The aggregate is pretty accurately known, being, as I have said, 6,000,000 acres for the Cherokee outlet, and probably 2,000,000 in Oklahoma and adjoining country. Many of these ranches are as large as those mentioned by the Secretary of the Interior in the table to which I have just referred. Among the larger ones are the McLellan Cattle Company, Wyeth Cattle Company, Standard Oil Company, Texas Land and Cattle Company, Eagle Chief Pool, Comanche Pool, and the Dominion Cattle Company. They probably average 300,000 acres apiece. Tomlin & Webb; Steward & Hodges; Kingman; Scott & Todlips, Roberts & Windsor (O. I. L.); A. Houghton; McLellan (private ranch, 60,000 acres); McLellan's Cattle Company (300,000 acres); Burns & Martin; Berry Brothers; Galisbe & Coleman; Bennet & Co.; Bennett & Dunham; Horsford; Wyeth Cattle Company; William Brothers; Tuttle & Co.; Hewins & Tytus; Ford & Co.; Wiley & Dean; George Miller; A. Constable; Williamson, Blair & Co.; Snow & Rannells; Cobb & Hutton; Dean & Broderick Pasture Company; Dye Brothers; Bridge, Wilson & Foss; Hamilton; Malaley; Bowers; D. T. Beal; Barefoot Ranch; Moore; Foresythe; W. B. Helm; Richmond & Sons; T. Horsley; McGrady; Crocker; Hollenbeck; Walworth, Walton & Rhodes; Craine & Larimer; Johnson & Hosmer; Colson & McAtee; Blair, Battin & Cooper; Camp Lynch; Cozine & Garlend; Treadwell & Clark; Hammers, Forbes & Co.; Casteen, McDaniels & Co.; Miller, Payrose & Co.; F. Y. Ewing; Wick, Corbin & Co.; Drum & Snyder; Ward, Byler & Co.; A. Gorham; Cragin Cattle Company; B. H. Campbell; G. A. Thompson; W. C. Quinlen; Texas Land and Cattle Company; Bates & Co.; Dickey Brothers; Greener & Houghton; Gregory, Eldred & Co.; Walnut Grove Pool; Eagle Chief Pool; Comanche Pool; New York Cattle Company; Dominion Cattle Company; J. V. Andrews; Cattle Ranch and Land Company; H. Kallard & Brother; Day & Brother.

The cattle companies who have partitioned out among themselves the entire Cherokee outlet, and whose ranges run clear through Oklahoma, claim to hold their ranges on the outlet by virtue of authority from the Cherokee Nation. This authority was given by a contract of lease running from the Cherokee Nation to the Cherokee Strip Live Stock Association, a corporation created under the laws of Kansas and composed of wealthy capitalists of Kansas, Missouri, and other States. It bears date July 25, 1883, became operative October 1, 1883, and is to run five years. The annual rental stipulated for is $100,000, 1⅔ cents per acre for 6,000,000 acres. The whole tract has been relet to about one hundred lesser companies at an annual rental of from 2 to 6 cents per acre. This contract was made in pursuance of an act of the national council of the Cherokee Nation, passed in special session May, 19, 1883, and reads as follows (see page 152, Senate Executive Document No. 17, Forty-eighth Congress, second session):

EXECUTIVE DEPARTMENT, CHEROKEE NATION,
Tahlequah, June 19, 1884.

I, John L. Adair, assistant executive secretary, hereby certify that the transcripts hereunto attached are correct copies of the original papers now on file in this Department, the lease of the Cherokee lands west of the Arkansas River, various powers of attorney, authorizing the signing of certain names thereto, and a resolution of the Cherokee Strip Live Stock Association confirming the action of attorneys.

Witness my hand and seal of the Cherokee Nation, this the day and year first above written.

[SEAL.]

JOHN L. ADAIR,
Assistant Executive Secretary.

This indenture, made the fifth day of July, in the year of our Lord one thousand eight hundred and eighty-three, by and between Dennis W. Bushyhead, principal chief of the Cherokee Nation, for and on behalf of said Cherokee Nation, party of the first part, and E. M. Hewins, J. W. Hamilton, A. J. Day, S. Tuttle M. H. Bennett, Ben. S. Miller, A. Drumm, E. W. Payne, and Charles H. Eldred, directors in trust for and on behalf of the Cherokee Strip Live Stock Association, a corporation organized and existing under and by virtue of the laws of the State of Kansas, for themselves, as directors in trust and assigns, parties of the second part.

Witnesseth, That the said party of the first part, for and in consideration of the rents, covenants, and agreements hereinafter mentioned. reserved, and contained on the part and on behalf of the party of the second part, and their successors in trust and assigns, to be well and faithfully kept and performed, doth, by authority of law in him vested as principal chief, by and through an act of the national council, which said is entitled "An act to amend an act to tax stock grazing upon Cherokee lands west of the ninety-sixth meridian," approved in special session May 19, A. D. 1883, which said act is especially referred to and made part of these presents, does by these presents lease for grazing purposes only unto the aforesaid E. M. Hewins, J. W. Hamilton, A. J. Day, J. Tuttle, M. H. Bennett, Ben. S. Miller, A. Drumm, E. W. Payne, and Charles H. Eldred, directors in trust as aforesaid, their successors and assigns, parties of the second part, all and singular, the unoccupied lands of and belonging to the Cherokee Nation, being and lying west of the ninety-sixth "meridian" and west of the Arkansas River, not including any portion occupied, sold, and conveyed to the Pawnees, Poncas, Nez Percés, Otoes, Missourias, Osages, and Kansas Indians, or the Salines, set apart to be leased separately under act of Congress, approved August 7, A. D., 1882, as hereinafter set forth; the said portion herein leased for grazing purposes containing six million (6,000,000) of acres, more or less, and lying east of the one hundredth meridian, and the said hereinbefore named parties of the second part, their successors and assigns, shall, for the purpose herein set forth, have and hold the above mentioned and described premises from and after the first day of October, one thousand eight hundred and eighty-three (1883), for and during the term and period of five years thence next ensuing from said date, subject to the qualifications hereinafter provided for, and upon yielding and paying for the same the amounts of money as hereinafter provided for; and the said E. M. Hewins, J. W. Hamilton, A. J. Day, S. Tuttle, M. H. Bennett, Ben. S. Miller, A. Drumm, E. W. Payne, and Charles H. Eldred, directors in trust for said Cherokee Strip Live Stock Association, their successors in trust and assigns, and not otherwise, in consideration hereof, and of the leasing aforesaid, to pay, on the order of the principal chief aforesaid, into the treasury of the Cherokee Nation at Tahlequah, Indian Territory, yearly, and for each and every one of said five years, the annual sum of one hundred thousand dollars ($100,000) lawful money of the United States, the same to be paid in two equal semi-annual payments, to be made and so paid in advance, to wit: On the first day of October and the first day of April in each and every year during the said term. Provided always, and it is further covenanted and agreed between the said parties hereto that if the said semi-annual payment in advance, or any part thereof, shall remain unpaid after the expiration of thirty days after the date the same becomes due as herein agreed to be paid; or if default shall be made in any of the covenants hereinbefore or hereinafter set forth, or as contained and required by the act of the national council approved May 19, A. D. 1883, as aforesaid, on the part and in behalf of the said parties of the second part, then and from thenceforth, it may be lawful, and is agreed, that said principal chief, or his successors in office, may declare the lease to be forfeited and annulled, and the said party of the first part may enter into and resume possession of the premises herein leased.

And it is further agreed, in accordance with the act of said national council, that in case the lands hereinbefore described, or any part of them included in the terms of this lease, shall be disposed of under present existing laws, or laws hereinafter to be passed by the Congress of the United States, by the said Cherokee Nation, that on the party of the first part giving six months' notice thereof to the party of the second part, that then, and in that event, the terms and conditions of this lease and the lease thereof shall terminate on the expiration of the said six months from the date of said notice, to all or to any portion of said tract of unoccupied Cherokee land thus sold or disposed of, and to parties to whom said lands or any portion of them should then be disposed of or sold to may enter into and take possession of the same; but then, and in that event, the said party of the second part, their successors and assigns, shall not be chargeable with rent on the lands so sold, but shall be allowed a rebate on all subsequent payments made on account of this lease at the rate of one and two-thirds (1⅔) cents per acre per annum on the lands so sold or disposed of.

Further, it shall be the privilege of said party of the second part, their successors or assigns, to erect on said lands such fences, corrals, and other improvements as may be necessary and proper and convenient for the carrying on of their business and for utilizing said lands for the purposes for which they are leased. And in case this lease shall be terminated as to all or any part of said lands by the disposal of the same as heretofore provided and set out, the said party of the second part shall have the right to remove all of said improvements, fences, and corrals, except such portions thereof as may be made from the timber or other property of the Cherokee Nation, or timber for which has been obtained from the aforesaid tract. It shall further be the privilege of said

party of the second part, their successors and assigns, to cut from the territory herein leased such timber as may be necessary for the purpose of building the fences, corrals, and improvements here before authorized to be erected on said leased premises, and to cut from said lands such timber as may be necessary for fire-wood and fuel, but not otherwise, and to commit no waste thereon.

And the said party of the second part doth further covenant and agree with the said Dennis W. Bushyhead as aforesaid, and as parts and conditions of this lease or contract, well and truly, and without deduction or delay, to make all payments as required in the foregoing, in the manner limited and prescribed; and in case of any failure as aforesaid, the said party of the second part agree that they will peaceably surrender the premises herein leased, and all improvements or erections thereon; and the said party of the second part, their successors and assigns, further agree and obligate themselves, and this is one of the conditions of this lease, to make no permanent improvements (the improvement, the right to make which is hereinbefore granted, being considered temporary improvements) on the aforesaid premises or leased tract, and only such temporary improvements as are authorized by the act of the national council approved May 19, 1883, hereinbefore referred to; and on the expiration of the lease or its being declared forfeited by default in the payments, as hereinbefore provided, then, and in either event, all improvements, structures, or erections thereon shall be and become the property of the Cherokee Nation; and said nation shall have possession of the same, and all and singular of such erections and improvements shall absolutely revert to and become the property of the Cherokee Nation, party of the first part.

And the *second* party of the second part further covenants and agrees with the said party of the first part, as one of the conditions of this lease, that they will cut no timber for removal from said lands, or take or remove any material or property being part of the premises so leased; or remove or ship material therefrom; and that they will use all due diligence to prevent the cutting or removing of any timber or other material therefrom; and that they will faithfully observe the intercourse laws of the United States; that they will obstruct no mail or stage line, and that they will not interfere with the salines, located or to be located, under the provisions of the act of Congress, before mentioned, approved August 7, 1882. And it is further agreed between the parties of the first part and the second part that the grounds excepted and reserved from, and not included in, the terms of this lease, necessary for the manufacture of salt at the said salines, may and shall not exceed in the aggregate for said salines, and all of them, 100,000 acres, with a right of way to and from said salines, such as may be required properly to work them; and the said party of the second part do hereby obligate themselves, for themselves as directors in trust aforesaid, their successors and assigns, *will* and truly to observe and faithfully execute all and singular of the foregoing agreements and covenants, which are declared to be part of the agreement, in consideration of which this lease is granted. And the said party of the first part, principal chief of the Cherokee Nation, in accordance with the act of the national council, as aforesaid, and on condition of the faithful payment of the sum of money as hereinbefore stipulated, in the manner and with the conditions hereinbefore prescribed, and as the further condition that the said party of the second part will well and truly fulfill all of the conditions, covenants, and agreements herein set forth, doth hereby covenant and agree by these presents that the said E. M. Hewens, J. W. Hamilton, A. J. Day, S. Tuttle, M. H. Bennett, Ben. S. Miller, A. Drumm. E. W. Payne, and Chas. H. Eldred, directors in trust for the Cherokee Strip Live Stock Association, their successors in trust, and assigns, shall and may at all times during the said term, subject to the conditions as aforesaid, peaceably hold and enjoy all the privileges of lease on the said premises, free, clear, and harmless from any let or hindrance whatsoever, together with all the privileges and rights of said party of the first part, in reference to the same, according to law and treaty stipulation.

In testimony whereof the said party of the first part, the said D. W. Bushyhead, principal chief, has signed his name as such principal chief and caused the seal of the Cherokee Nation to be affixed to these presents, and the said parties of the second part, the said E. M. Hewens, J. W. Hamilton, A. J. Day, S. Tuttle, M. H. Bennett, Ben. S. Miller, A. Drumm, and E. W. Payne, directors in trust, have caused these presents to be signed on their behalf by Chas. H. Eldred, their true and lawful attorney in fact, evidence of his authority being attached to the lease retained by the party of the first part, and the said Chas. H. Eldred, director in trust, signing his himself.

Done in duplicate, at Muscogee, Indian Territory, this the seventh day of July, in the year of our Lord one thousand eight hundred and eighty-three.

D. W. BUSHYHEAD, [SEAL.]
Principal Chief.

E. M. HEWENS, [SEAL.]
By CHAS. H. ELDRED,
Attorney in Fact.

Signed and sealed in the presence of—
J. G. VOSE.
EDWIN F. WILSON.
JNO. F. LYONS.

J. W. HAMILTON, [SEAL.]
By CHAS. H. ELDRED,
Attorney in Fact.

BEN. S. MILLER, [SEAL.]
By CHAS. H. ELDRED,
Attorney in Fact.

A. J. DAY, [SEAL.]
By CHAS. H. ELDRED,
Attorney in Fact.

A. DRUMM, [SEAL.]
By CHAS. H. ELDRED,
Attorney in Fact.

S. TUTTLE, [SEAL.]
By CHAS. H. ELDRED,
Attorney in Fact.

E. W. PAYNE, [SEAL.]
By CHAS. H. ELDRED,
Attorney in Fact.

M. H. BENNETT, [SEAL.]
By CHAS. H. ELDRED,
Attorney in Fact.

CHAS. H. ELDRED. [SEAL.]

Resolved, That the action of Charles H. Eldred, acting under separate and individual power of attorney from the member of this board, in signing and executing on behalf of the board of directors and the association the lease of the Cherokee strip, made between the principal chief of the Cherokee Nation and the board of directors, be, and the same is hereby, confirmed, fully ratified, and adopted as the act and deed of the board of directors, acting for and on behalf of the Cherokee Strip Live Stock Association, and the secretary is directed to forward a copy of this resolution, duly certified and sealed, to Chief Bushyhead, to be by him attached to the original lease in his possession.

Attest:
[SEAL.]

JOHN A. BLAIR,
Sec'y C. S. L. S. Asso.

CALDWELL, KANS., *July* 10, 1883.

This instrument, Mr. Chairman, is what the minority of the Committee on Territories consider a mere grazing permit, and hence not illegal and not within the power of this Government to declare invalid.

HAS THE INTERIOR DEPARTMENT EVER SANCTIONED OR APPROVED THE LEASE OF THE CHEROKEE OUTLET?

I call this instrument a contract of lease of lands, and, as such, plainly contrary to the provisions of section 2116 of the Revised Statutes, and section 10 of this bill proposes to strike down these illegal leases as the backbone of the opposition to the civilization of the Indians. The minority say that this lease was made with the knowledge and even assent of the Interior Department. Admitting that such was the case, it does not affect the validity or non-validity of that lease. If that lease was a plain violation of the statute, no amount of passive consent on the part of the Interior Department can make it valid.

But the circumstances were as follows: John Q. Tufts, Indian agent at Muscogee, Ind. T., ascertained that there were about three hundred thousand head of cattle in the Outlet, a third of which belonged to citizens of Kansas who were pasturing them there and grubbing down the young timber without contributing anything to the Cherokee chiefs; and, although these one hundred thousand cattle had the same rights on the outlet as the two hundred thousand whose owners paid, in 1882, $41,000 to the Cherokees for a grazing permit, yet it occurred to Mr. Tufts, very naturally and as it would have done to the promoters of this bill, that, pending any attempt to enforce their removal, they should be placed under such restrictions as would prevent their wholesale destruction of young timber and free enjoyment of a strictly illegal occupancy until such time as the Government should see fit to assert its rights over that outlet. Mr. Tufts therefore wrote to the Secretary of the Interior and recommended that the fencing of the ranges be allowed to prevent the destruction of timber.

After a full review of the subject the Secretary of the Interior, March 16, 1883, decided to permit no more fencing, and that those constructed would not be permitted to remain, except on satisfactory arrangements with Cherokee national authorities.

This, then, was the reply of the Interior Department to Mr. Tufts's recommendation; that no more fencing should be permitted; and that that already constructed should be removed, except satisfactory arrangements could be made with the Cherokees.

This latter part of the honorable Secretary's decision is relied upon by the minority report upon this bill to prove that the Interior Department sanctioned the lease now under consideration. Why, sir, there is no such consent or approval intimated in the whole transaction. The only sanction given was that the fences already there should be permitted to remain if the Cherokees were willing. This was the substance of the honorable Commissioner Price's reply to Mr. Tufts.

Can it be supposed that the Secretary of the Interior contemplated that the Cherokee council would go ahead and lease that outlet for a term of years and allow the erection of "such fences, corrals, and other improvements as may be necessary, &c.," when he had just said that no more fencing should be allowed?

Why, sir, such a proposition is absurd. Commissioner Price had an interview with Chief Bushyhead, of the Cherokees, March 20, 1883, in which Mr. Bushyhead agreed to convene the Cherokee national council for the purpose of ascertaining whether or not they desired the fences removed. The Interior Department, plainly, never contemplated that the Indians would or could do more than grant these cattle-men a permission to graze their cattle on the outlet during the pleasure of the United States. But instead of that the Cherokee council, without, as I have shown, the knowledge, advice, or consent of the United States, granted the outlet to the Cherokee Strip Live-Stock Association by as plain a lease of lands as was ever made.

Receiving this unwarranted assumption of ownership on the part of the Cherokees, the Interior Department has simply suffered the lease to continue, as is indicated by the report of Commissioner Price (the same gentleman who, according to the opinion of the minority of the Committee on Territories, authorizing this lease), dated October 15, 1884:

Since the date of my last annual report numerous applications have been received from parties desirous to lease Indian land, mainly for grazing purposes. To all such answer, based upon Department ruling in the question in the Fenlon case, April 25, 1883, has been returned that no authority of law existed for the making of such leases or agreements by the Indians or by this Department, and that the Department would not approve them.

This, Mr. Chairman, I regard as the sound law of the case. Commissioner Atkins, in his annual report, dated October 5, 1885, referring to the Department letter of January 3, 1885, in reply to a Senate resolution calling for information in regard to leases in the United States (see S. Ex. Doc. No. 17, Forty-eighth Congress, second session), says:

It appears from said schedule (page 12) that with but one exception the leases reported to have been made by Indian tribes were all of lands in the Indian Territory for grazing purposes, and were for different periods, ranging from two to ten years, and at various rentals, as therein mentioned. Of these made in the Indian Territory there had been leased as follows: Cherokees, 6,000,000 acres.

The Commissioner then gives the list and acreage to which I have before called attention, and embodied in my remarks, and concludes:

It does not appear that any of these leases were ever authoritatively approved by the Department.

The Fenlon case, to which Mr. Price referred, was the case of Mr. E. Fenlon, of Leavenworth, Kans., who negotiated a lease with the Cheyenne and Arapaho Indians in 1884, and then attempted to secure its approval from the Interior Department.

Secretary Teller, under date of April 25, 1883, replied to Mr. Fenlon, refusing to confirm or "recognize" his contract. The correspondence in this case will be found on page 99 of Senate Executive Document

No. 54, Forty-eighth Congress, first session. There is no evidence that Fenlon's lease was as strong as that to the Cherokee outlet.

Not only the holdings of the Interior Department, as I have quoted them, but the opinions of two Attorneys-General of the United States, as I shall show further on, agree that the Cherokees have no right to lease, nor the United States to approve the leasing of, the Cherokee outlet.

Now, Mr. Chairman, having shown that the Interior Department has never authorized nor approved this or any other lease in the Indian Territory, the question remains: Could the Interior Department under existing laws and treaties authorize or approve such leases? And first let us determine whether the document made by the Cherokee council to the Cherokee Strip Live Stock Association is a lease. It is so held by the Department of the Interior, but the minority of the Committee on Territories disagree with the Department and with Attorneys-General Devens and Garland, and hold that it is a grazing permit. Let us refer to the instrument itself. Is it a lease of lands? It purports to be such. It is so styled several times in its different sections.

WHAT IS A LEASE?

This important question and the construction of the Department upon the instrument is entirely ignored by the minority in their report on this bill. They assume that the instrument is simply a grazing permit, and reason from that assumption that it is not within the prohibition of section 2116, Revised Statutes, and consequently not invalid. I assume that it is what it purports to be, and what the Department of the Interior and the Attorneys-General have declared it to be, and reason from that assumption that it is within the prohibition of section 2116, Revised Statutes, and consequently invalid.

Lord Bacon, in his Abridgment, says:

Whatever words are sufficient to explain the intent of the parties, that the one shall divest himself of the possession and the other come into it for such a determinate time, such words, whether they run in the form of a license, covenant, or agreement, are themselves sufficient, and will, in construction of law, amount to a lease for years.

Mr. Kent says (see Commentaries, volume 4, page 96):

A lessee for years may assign or grant over his whole interest. He may underlet for any fewer or less number of years than he himself holds. If the contract be that the lessee possess the land with the usual privileges of exclusive enjoyment, it is the creation of a tenancy for a year, though the land be taken to be cultivated upon shares.

Rapalye's Law Dictionary gives the following as a definition of lease:

A lease is in effect a conveyance or grant of the possession of property, to last during the life of a person, or for a term of years or other fixed period, or at will, usually with the reservation of rent.

The same author says:

If a person by deed grants an exclusive license for use of land, this may amount to a lease or to the grant of an incorporeal heriditament.

In Mason *vs.* Clifford (4 Federal Reports, page 177, 1880, Wisconsin), the question was whether a contract granting the use of a certain mill for the manufacture of shingles therein was a license or lease. In the contract there was no stated rental, but the license was to furnish the owner of the mill with shingles at a reduced price.

The court (citing Fisk *vs.* Farmingham Manufacturing Company, 14 Pick., 491, a perfectly parallel case) decided nevertheless that the contract was a lease for years, because the evidence showed "that the grantee was entitled to possession and management of the mill during the life of the contract as against his grantor and the whole world."

The Supreme Court of the United States in United States *vs.* Gratiot (13 Curtis, 644) lay down a very clear exposition of what constitutes a lease. Under an act of Congress the President had power to grant a license to smelt lead at the mines in the State of Illinois, reserving a rent in kind, and stipulating for certain privileges connected therewith. The case was an action of debt founded on a bond given by the defendant, Gratiot, to the United States. The decision of the case hinged upon the construction as to the nature of the contract.

The court say:

Is this contract a lease within the meaning of the law? It purports to be a license for smelting lead ore; and it is objected that this is not a lease within the meaning of the act of Congress. But this objection is not well founded. It is a contract for one year. Is it, then, a lease? The legal understanding of a lease for years is a contract for the possession and profits of land for a determinate period, with the recompense of rent. The contract in question is strictly within this definition. It is for the possession of land, and there is an express permission to use as much fuel as is necessary to carry on the smelting business; and there is an express reservation of the rent of 6 pounds of every 100 pounds of lead smelted. It is not necessary that the rent should be in money. If received in kind it is rent in contemplation of law. We are accordingly of opinion that the question certified in the record must be answered in the affirmative.

These opinions and decisions show us that a lease is for a determinate time, and for a rent consideration; that it grants an estate in land with right of exclusive possession against the grantor and the whole world, and with power to assign or sublet; and that if a contract possess these elements and grant these rights, it is a lease of land, no matter what it purports to be. Does the lease from the Cherokees to the Cherokee Strip Live-Stock Association come within the purview of this definition? It does in every particular. It contains every element entering into the usual land-leases. It is in the usual form of a lease. It purports to be a lease.

E. M. Hewins *et al.* were granted an exclusive use and enjoyment of 6,000,000 acres of land. They can assert their title against the Cherokees and against the whole world. They had the power to assign their whole interest or any part of it. They have assigned their whole interest to about one hundred sublessees. They are obliged to defend their sublessees in the enjoyment of the interest so sublet against the Cherokees and against the whole world. They are secure in this interest for five years (unless they violate the terms of the contract). They pay an annual rental. Their rent, and not personal favor, is the consideration of the contract; and yet gentleman call it a grazing permit.

Now, Mr. Chairman,

WHAT IS A LICENSE?

Mr. Kent says (Commentaries, volume 3, page 452):

An authority to do a particular act, or series of acts, upon another's lands without possessing any estate therein. It is founded in personal confidence, and is not assignable, and is not within the statute of frauds.

The court, in Morgan *et al. vs.* New York (14 Court of Claims, 319), say:

A license is in the nature of a permission granted by the one party and acted upon by the other; and it is strictly a matter of favor, and in no sense a matter of right.

Rapalye's Law Dictionary says:

In the law of real property a license is generally an authority to do an act which would otherwise be a tresspass. A license passes no interest, and, therefore, if A grants to B the right to fasten barges to moorings on the river, this does not amount to a demise, nor give the licensee an exclusive use of the moorings, nor render him liable to be rated as the occupier of part of the bed of the river.

Again:

If the intention of the parties is that the grantee is not to be entitled to exclusive possession of the property, the grant is a license and not a lease.

In Morgan *et. al. vs.* New York, before mentioned, the court say:

A license is an authority to do a particular act or a series of acts upon the land of another without possessing an estate therein. When executed, it will prevent the owner of the land from maintaining an action for the acts done under it; but it is revocable at pleasure, and will not be a defense for an act done after revocation. A consideration may have been given for it or expenditure made strictly on the faith of it, yet the owner of the land may revoke it when he will, unless it be coupled with an interest, without paying back the money or making compensation for the expenditure. (Wood *vs.* Leadbitter, 13 Mees. & Wels., 838; Wolfe *vs.* Frost, 4 Sand. Ch., 72; Selden *vs.* Delaware and Hudson Canal Company, 29 N. Y., 639; Jamison *vs.* Milleman, 3 Duer., 255.)

From what I have just read, Mr. Chairman, I gather that a license is founded in personal confidence; may or may not have other consideration; may or may not be in writing. It passes no estate, and consequently there is no estate to assign. The licensee can not maintain his estate against the world or his grantor, for he has no estate to maintain. It does not warrant exclusive possession. It is revocable at pleasure.

Does the instrument under consideration come within this description? Is it founded in personal confidence? No. Does it pass an estate? Yes. Does it grant exclusive possession? Yes. Can the licensee maintain that estate and possession against the grantor and the world? Yes. Can he sublet? Yes. Is it revocable at pleasure? No. Then it is a lease of lands, and not a license "to do a particular act or series of acts upon the land of another without possessing an estate therein;" and, being a lease of lands, is within the prohibition of section 2116 of the Revised Statutes. That section reads as follows:

No purchase, grant, lease, or other conveyance of lands, or of any title or claim thereto from any Indian nation or tribe of Indians, shall be of any validity in law or equity, unless the same be made by treaty or convention entered into pursuant to the Constitution.

Every person who, not being employed under the authority of the United States, attempts to negotiate such treaty or convention, directly or indirectly, or to treat with any such nation or tribe of Indians for the title or purchase of any lands by them held or claimed, is liable to a penalty of $1,000.

The agent of any State who may be present at any treaty held with Indians under the authority of the United States in the presence and with the approbation of the commissioner of the United States appointed to hold the same, may, however, propose to, and adjust with, the Indians the compensation to be made for their claim to lands within such State which shall be extinguished by treaty.

There can be no doubt that the instrument we have been considering is covered by this section of the Revised Statutes; but we are not left to our own opinion of the matter.

I quote from the majority report on this bill, at page 4:

It is claimed by some members of the committee that the leases made by the Cherokee tribe to the cattle company referred to are valid and can not be abrogated by act of Congress. This position, in the opinion of your committee, is wholly untenable. It has been the settled policy of the Government from its foundation to the present time to exercise the right to regulate and control the sale or lease of Indian lands. As early as 1796 it was enacted that no nation or tribe of Indians within the boundaries of the United States should grant, sell, or lease or make any other conveyance of lands, or of any title or claim thereto, without the consent of the United States, made and entered into by some public treaty held under authority thereof. This act has remained in force from that time to the present, and was re-enacted in section 2116 of the Revised Statutes of the United States. There is no exception in the history of the Government to this declared policy. In no case has the United States recognized the authority of any Indian tribe or nation to sell, lease, or otherwise alienate or grant a claim to any portion of the lands occupied by them, whether such lands are held by patent in fee-simple or by Departmental orders. All treaties heretofore entered into between the United States and Indian tribes have been made and published while this law was in existence. All treaties so-called with Indian tribes, having been made during the existence of this provision now incorporated in the Revised Statutes, section 2116, are made subject to those provisions, and they are just as much a part of all such treaties as if they had been incorporated into the text hereof.

But we are not obliged to rely upon the opinion of the committee, or any member thereof, as to whether section 2116 covers the contract in question.

OPINIONS OF ATTORNEYS-GENERAL DEVENS AND GARLAND.

Attorney-General Devens (16 Opinions, 470) held that the Cherokee Nation itself could not settle one of its own citizens on the outlet; and if they could not settle one of their own number thereon, it will hardly be argued that they can settle white men thereon.

The present distinguished and able Attorney-General, Mr. Garland, in a recent opinion has covered the whole ground so completely and supports my view so conclusively, that I beg leave to incorporate the whole of it in my remarks. It reads as follows:

DEPARTMENT OF JUSTICE, *Washington, July* 21, 1885.

SIR: By your letter of the 8th instant, inclosing a communication from the Commissioner of Indian Affairs of the 7th, the following questions are, at his suggestion, submitted to me with request for an opinion thereon:

"Whether there is any law empowering the Interior Department to authorize Indians to enter into contract with any parties for the lease of Indian lands for grazing purposes; and also whether the President or the Interior Department has any authority to make a lease for grazing purposes of any part of any Indian reservation, or whether the approval by the President or the Secretary of the Interior would render any such lease made by Indians with other parties, lawful and valid."

These questions are propounded with reference to certain Indian reservations, namely:

1. The Cherokee lands in the Indian Territory west of ninety-sixth degree of longitude, except such parts thereof as have heretofore been appropriated for and conveyed to friendly tribes of Indians.
2. The Cheyenne and Arapaho reservation in the Indian Territory.
3. The Kiowa and Comanche reservation in the Indian Territory.

Our Government has ever claimed the right, and from a very early period its settled policy has been, to regulate and control the alienation or other disposition by Indians, and especially by Indian nations or tribes, of their lands. This policy was originally adopted in view of their peculiar character and habits, which rendered them incapable of sustaining any other relation with the whites than that of dependence and pupilage. There was no other way of dealing with them than that of keeping them separate, subordinate, and dependent, with a guardian care thrown around them for their protection. (3 Kent. Com., 381; Beecher *vs.* Wetherby, 95 U. S., 517, where most of the cases on this subject are cited and discussed.)

Thus in 1783 the Congress of the Confederation, by a proclamation, prohibited "all persons from making settlements on lands inhabited or claimed by Indians, without the limits or jurisdiction of any particular State, and from purchasing or receiving any gift or cession of such lands or claims, without the express authority and directions of the United States in Congress assembled," and declared "that every such purchase or settlement, gift or cession, not having the authority aforesaid, is null and void, and that no right or title will accrue in consequence of any such purchase, gift, cession, or settlement." By section 4 of the act of July 22, 1790, chapter 33, the Congress of the United States enacted "that no sale of lands made by any Indians, or any nation or tribe of Indians within the United States, shall be valid to any person or persons, or to any State, whether having the right of pre-emption to such lands or not, unless the same shall be made and duly executed at some public treaty, held under the authority of the United States." A similar provision was again enacted in section 8 of the act of March 1, 1793, chapter 19, which by its terms included any "purchase or grant of lands, or of any title or claim thereto, from any Indians or nation or tribe of Indians, within the bounds of the United States." The provision was further extended by section 12 of the act of May 19, 1796, chapter 30, so as to embrace any "purchase, grant, lease, or other conveyance of lands, or of any title or claim thereto." As thus extended it was re-enacted by the act of March 3, 1799, chapter 46, section 12, and also by the act of March 30, 1802, chapter 30, section 12.

In the above legislation the provision in terms applied to purchases, grants, leases, &c., from individual Indians as well as from Indian tribes or nations, but by the twelfth section of the act of June 30, 1834, chapter 161, it was limited to such as emanate "from any Indian nation or tribe of Indians." And the provision of the act of 1834, just referred to, has been reproduced in section 2116, Revised Statutes, which is now in force.

The last-named section declares: "No purchase, grant, lease, or other conveyance of lands, or of any title or claim thereto, from any Indian nation or tribe of Indians, shall be of any validity in law or equity, unless the same be made by treaty or convention entered into pursuant to the Constitution."

This statutory provision is very general and comprehensive. Its operation does not depend upon the nature or extent of the title to the land which the tribe or nation may hold. Whether such title be a fee-simple, or a right of occupancy merely, is not material; in either case the statute applies. It is not, therefore, deemed necessary or important, in connection with the subject under consideration, to inquire into the particular right or title to the above-mentioned reservations held by the Indian tribes or nations respectively which claim them. Whatever the right or title may be, each of these tribes or nations is precluded, by the force and effect of the statute, from either alienating or leasing any part of its reservation, or imparting any interest or claim in and to the same, without the consent of the Government of the United States. A lease of the land for grazing purposes is as clearly within the statute as a lease for any other or for general purposes, and the duration of the term is immaterial. One who enters with cattle or other live-stock upon an Indian reservation under a lease of that description, made in violation of the statute, is an intruder, and may be removed therefrom as such, notwithstanding his entry is with consent of the tribe. Such consent may exempt him from the penalty imposed by section 2117, Revised Statutes, for taking his stock there, but it can not validate the lease or confer upon him any legal right, whatsoever, to remain upon the land; and to this extent and no further was the decision of Judge Brewer in United States *vs.* Hunter (21 Fed. Rep., 615).

But the present inquiry in substance is (1) whether the Department of the Interior can authorize these Indians to make leases of their lands for grazing purposes, or whether the approval of such leases by the President or the Secretary of the Interior would make them lawful or valid; (2) whether the President or the Secretary of the Interior has authority to lease for such purposes any part of an Indian reservation.

I submit that the power of the Department to authorize such leases to be made, or that of the President or the Secretary to approve or to make the same if it exists at all, must rest upon some law, and therefore be derived from either a treaty or statutory provision.

I am not aware of any treaty provision applicable to the particular reservations in question that confers such powers. The Revised Statutes contain provisions regulating contracts or agreements with Indians and prescribing how they shall be executed and approved (see section 2103), but those provisions do not include contracts of the character described in section 2116, hereinbefore mentioned.

No general power appears to be conferred by statute upon either the President or Secretary, or any other officer of the Government, to make, authorize, or approve leases of lands held by Indian tribes; and the absence of such power was doubtless one of the main considerations which led to the adoption of the act of February 19, 1875, chapter 90, "to authorize the Seneca Nation of New York Indians to lease lands within the Cattaraugus and Allegany reservations, and to confirm existing leases." The act just cited is, moreover, significant as showing that, in the view of Congress, Indian tribes can not lease their reservations without the authority of some law of the United States.

In my opinion, therefore, each of the questions proposed in your letter should be answered in the negative, and I so answer them.

I am, sir, very respectfully,

A. H. GARLAND, *Attorney-General.*

The SECRETARY OF THE INTERIOR.

According to the honorable Attorney-General, then, not only the lease in question is contrary to the law as laid down in section 2116, Revised Statutes, and contrary to the unvarying policy of the Government, but the Government can not authorize nor approve such a lease, re-enforcing the statement which I made a little while ago to the effect that the Interior Department could not be held to have authorized or approved this lease to the association, as it did not possess the power for such authorization or approval.

I wish to call attention of the committee to the argument of the minority upon this point to show the erroneous assumption and consequent fallacious conclusions contained in that argument. I quote from page 22 of their report:

It is now said that such a license (for grazing purposes) is violative of section 2116 of the Revised Statutes.

That section reads:

"No purchase, grant, lease, or other conveyance of lands, or of any title or claim thereto, from any Indian nation or tribe of Indians, shall be of any validity in law or equity unless the same be made by treaty or convention entered into pursuant to the Constitution."

This language is broad in itself, but it is not broad enough to embrace any instrument which in itself does not convey land, or an interest in land, or a title or a claim to land. Beyond that in its very terms it does not go. It does not render invalid an instrument, by whatever name it may be called, which merely conveys a certain limited use in the land, whether that use be in grass which naturally grows on the land, or in the products which through the labor of man may have been produced from its soil. But this section must be construed in conjunction with section 2117, which reads as follows:

"Every person who drives or otherwise conveys any stock or horses, mules, or cattle to range and feed on any lands belonging to any Indian tribe, without the consent of such tribe, is liable to a penalty of $1 for each animal of such stock."

When these two sections are read together, is it not apparent to any mind that the first section refers to a conveyance of land, or some interest therein, or a title or claim to land, and the second refers to a certain special use of the land? Says Judge Brewer, in the case of The United States *vs.* Hunter (21 Federal Reporter, page 617), quoting this last-mentioned section:

"This implies that an Indian tribe may consent to the use of their lands for grazing purposes"—

Thereby expressing an opinion on the section, but recalling that the construction of the section was not before him for decision, adding cautiously—

"or, at least, if it does consent, no penalty attaches."

And then proceeding, he says:

"If the tribe may so consent, it may express such consent in writing, and for at least any brief and reasonable time."

The chain of reasoning starts out with a misapprehension of our position. We do not claim that a mere license for grazing purposes is violative of section 2116. But I have proved, I think, conclusively that the lease of the Cherokee outlet is not a license. And because it is not a license, but a lease, we claim, and Attorney-General Garland claimed, that it is violative of that section.

Citing section 2116, the minority say:

It is not broad enough to embrace any instrument which in itself does not convey * * * an interest in land.

I agree with the minority. I have never claimed that this section embraces an instrument which does not convey an interest in land. But I must beg leave to differ with the minority in their opinion that a "lease" of 6,000,000 acres for five years at a money rental, with full and exclusive possession and power of subletting, is not an "interest in land" but a grazing permit; and my judgment compels me to adopt the contrary view of Lord Bacon, Edward Kent, Rapalyé, the Supreme Court of the United States, Attorney-General Garland, and others.

It is a serious question whether section 2117 of the Revised Statutes provides for such grazing permits as are contemplated by the minority and by Judge Brewer, in United States *vs.* Hunter (21 Federal Reporter, page 617), where the judge, quoting this section, says:

This implies that an Indian tribe may consent to the use of their lands for grazing purposes, or, at least, if it does consent, no penalty attaches.

But that question is not involved in this discussion.

But whether the contract of lease in question was a lease or a grazing permit, or, if a lease, whether valid or invalid, is not touched by Judge Brewer. The only question discussed by him was whether by section 2116 of the Revised Statutes a penalty attached to a person who attempted to negotiate with the Indians for a grazing lease; and upon this point and not looking at any law passed subsequent to the date of section 2116 (1834), the judge's argument was sound. For the penalty provided for in section 2116 attaches, by virtue of that section, to two, and only two, classes of offenders: First, those who attempt to usurp the authority of the United States, and to negotiate with the Indian, by public treaty, for the title to, or an interest in lands; second, those who attempt to treat with the Indians, by private contract, for the title to land. It is plain that this lease which was a private contract for an interest in land did not come within the penal provisions of either clause of this section. And this was what Judge Brewer

decided, and only this. Judge Brewer does not intimate that the lease was not invalid, but distinctly says:

So that this sentence (referring to the first sentence of section 2116) emphatically declares the invalidity of any purchase, lease, or other conveyance of Indian lands, except through the means of some public treaty.

Moreover, this cautious suggestion made by Judge Brewer, to which I have alluded as having been quoted by the minority, if it antagonized my position, which is not the fact, would not be relevant in this discussion, being mere *obiter dictum*. Yet, notwithstanding these facts and the opinion of the Attorney-General that the decision of Judge Brewer in the Hunter case decided nothing as to the validity of the lease (which was not in question), the minority rely upon that decision to establish the validity of the same.

THE UNITED STATES IS BOUND BY THE TREATY OF 1866 TO BREAK UP EVERY LEASE IN THE CHEROKEE OUTLET.

But, Mr. Chairman, I have another reason for holding that this lease to the Cherokee Strip Live Stock Association is invalid; and not only all contracts prohibited by section 2116 but all grazing permits possibly contemplated in section 2117. I refer to Article XXVII of the treaty of July 10, 1866, with the Cherokees. It seems to have been entirely overlooked by the minority, and Judge Brewer could not have had it in mind when he uttered the *obiter dicta* before referred to, for the treaty of 1866 superseded the law of 1834, and any prohibition of the former would supersede any implied permission in the latter. Articles XXVI and XXVII of that treaty read as follows:

ART. XXIV. The United States guarantee to the people of the Cherokee Nation the quiet and peaceable possession of their country and protection against domestic feuds and insurrections, and against hostilities of other tribes. They shall also be protected against interruptions or intrusion from all unauthorized citizens of the United States who may attempt to settle on their lands or reside in their territory. In case of hostilities among the Indian tribes, the United States agree that the party or parties commencing the same shall, so far as practicable, make reparation for the damages done.

ART. XXVII. The United States shall have the right to establish one or more military posts or stations in the Cherokee Nation, as may be deemed necessary for the proper protection of the citizens of the United States lawfully residing therein and the Cherokees and other citizens of the Indian country. But no sutler or other person connected therewith, either in or out of the military organization, shall be permitted to introduce any spirituous, vinous, or malt liquors into the Cherokee Nation, except the medical department proper, and by them only for strictly medical purposes. And all persons not in the military service of the United States, not citizens of the Cherokee Nation, are to be prohibited from coming into the Cherokee Nation, or remaining in the same, except as herein otherwise provided; and it is the duty of the United States Indian agent for the Cherokees to have such persons, not lawfully residing or sojourning therein, removed from the nation, as they now are, or hereafter may be, required by the Indian intercourse laws of the United States.

I wish, Mr. Chairman, that I had more time to comment upon this treaty, but I must hurry through this argument in order to give place to others who may wish to be heard.

The obligations of the Government under the above treaty stipulations are as plainly indicated as language can express them.

But what are the provisions of the Indian-intercourse act referred to in the latter part of Article XXVII, just quoted? Let the statute speak for itself. Section 2147 of the Revised Statutes, and being a part of the Indian-intercourse act, is as follows:

The Superintendent of Indian Affairs, and the Indian agents and subagents shall have authority to remove from the Indian country all persons found therein contrary to law, and the President is authorized to direct the military force to be employed in such removal.

Also see sections 2149 and 2150 on same subjects.

As I understand it the above sections are the only references to the subject of removal of intruders contained in the Indian-intercourse act.

It now becomes material to ascertain what persons are excepted from the operations of that part of Article XXVII of the treaty, June 19, 1866, and hence being excepted may be lawfully in the Indian country or may lawfully enter therein, and not be liable to removal under the treaty and statute quoted.

It will be noticed that, by the treaty, all persons not in the military service of the United States and not citizens of the Cherokee Nation are to be prohibited from going into the Cherokee Nation or remaining in the same except as therein, by the treaty, otherwise provided. Let me inquire, first, by whom prohibited? By the Indians into whose particular country they enter? Certainly not, for the Indians are not authorized to attempt the exercise of any power for the purpose of prohibiting entry or accomplishing removal.

It is apparent that the United States must both prohibit and remove.

If any doubt could possibly exist upon this point, Article XXVI of the treaty of July 19, 1866, makes it entirely clear. After providing by guarantee for the peaceable possession of the country ceded to the Cherokees and protection against domestic feuds and insurrections and against hostilities of other tribes, it further enacts:

They shall also be protected against interruptions or intrusions from all unauthorized citizens of the United States who may attempt to settle on their lands or reside in their territory.

Now it becomes pertinent to inquire what class of persons may, according to this treaty and the intercourse law, enter into or remain in the Cherokee country.

A careful examination of the treaty justifies the following answers:

First. All persons in the military service of the United States.

Second. All citizens of the Cherokee Nation.

Third. Such persons as are connected with the Indian agency of that country.

Fourth. Such as might be connected with the United States courts, authorized by Articles VII and XIII of the treaty of 1866, to be created.

Fifth. Such persons as may be licensed to trade there (Article VIII).

Sixth. All freedmen who had been liberated by voluntary act of their former owners by law as well as free colored persons who were in the country at the commencement of the rebellion and were then (July 19, 1866) residents therein, or who might return within six months, and their descendants. (Article IX.)

Seventh. Any railroad company, its agents, and employés, and all laborers, while constructing and repairing any railroad which might be built through that country.

Eighth. Agents sent by the Interior Department to enumerate the Indians (Article XII, Section 1).

Ninth. All persons connected with such missionary enterprises as by Article XII of the treaty might be established within the Territory.

Tenth. Such friendly Indians as under that treaty might be settled on any lands claimed by the Cherokees.

Eleventh. Such persons, in addition to those above enumerated, as by the Indian intercourse act may enter the said country; and these are—

a. Authorized traders.

b. Foreigners who may be granted passports by the Interior Department or other officer authorized by section 2134, Revised Statutes, to grant the same.

Can any gentleman, with due regard to the treaty stipulation above referred to and the Indian-intercourse act, claim that owners of cattle or other stock come within any one of the above descriptions?

In my humble judgment no such claim can be made with any regard for truth and accuracy. No man, be he American or foreigner, has any right, under the treaty of 1866 and the Indian-intercourse laws, to enter any Indian country for the purpose of remaining or of making any use of the land belonging to the Indians, and when he does he not only trespasses upon Indian rights, but he defies the authority of the United States.

By this treaty the Government is bound not only to keep off intruders but to keep all persons out of that Territory, and the Indians were a party to this contract and assented to the right and duty of the United States to keep such persons out.

The exceptions which I have enumerated do not include the men who hold these leases. Not one of them has a right to go there, and the Government is bound by the treaty to prohibit them from going there. If so, then how can they go under the leases? If the Government must keep them out under all circumstances, and the obligation to do that rests with the Government, and without regard to the requests upon the part of the Indians, I submit the question, what right has the Government even under the pretense of leases to permit them to go into this Cherokee outlet at all?

Mr. Chairman, in the light of these facts which I have adduced can any gentleman object to section 10 of this bill, which proposes to strike down these illegal leases, or urge that it threatens the property rights of the Cherokees?

But, sir, this section ought to be unnecessary, and would be, were the law already provided enforced by this administration. Its own Secretary of the Interior has declared the leases unauthorized. Its Attorney-General has declared them illegal. By sections 2149 and 2150 of the Revised Statutes and by Article XXVII of the treaty of 1866 it is made the bounden duty of this administration to remove every cattle-man and every hoof of cattle now in illegal occupancy of any part of the Indian Territory.

ATTITUDE OF THE PRESENT ADMINISTRATION.

I call this administration to account for its stewardship. What has it done in this important matter? I know that gentlemen will attempt to justify the "masterly inactivity" and criminal negligence of this administration by attempting to hide behind the skirts of a Republican administration. But that will not do, gentlemen. The American people know where you are.

The failures of the past are no excuse for the failures of the present. I regret that a Republican administration is largely responsible for the condition of things now existing in the Indian Territory.

But have the gentlemen forgotten that this is an era of reform?

The country has passed from the control of Republicans, and we are now enjoying the beneficent rule of an alleged reform administration, one which our Democratic brethren (some of them) delight to style as "pure," "able," and "patriotic," and run on the line of "Jeffersonian simplicity." The political power which for twenty-five years administered governmental affairs and preserved the nation from dismemberment at the hands of disloyal Democrats, in obedience to the commands of the people of a reunited country, peaceably surrendered to the men of adverse political faith and practice.

We all remember how vigorously during the last national campaign

Democratic orators, from Maine to California, from Michigan to Texas, vociferated and reiterated charges of fraud and corruption against the Republican party, coupled with eloquent portrayals of the sweet days of reform which would dawn when their party should be again entrusted with the Ship of State. Every fraud was to be unearthed; every ring was to be broken; every abuse was to be swept away.

The country has had fifteen months of Democratic reform rule, and it can not be said that the new servants of the people have not yet had sufficient time to begin the loudly proclaimed reforms promised the people. We are in the full enjoyment of the rich blessings of a pure (?) and patriotic (?) Democratic administration; we must all be in the most delightful condition possible under any form of government; if any one seriously entertains a contrary opinion, mark him at once a "crank" and shun him accordingly.

Another reason why the Democratic administration should have grappled long ago with this great issue is that the people demanded it. Their demand, under the present administration, encouraged no doubt by the promises of the Democratic advance agents, has been louder than under any preceding administration. Public interest in this matter has greatly increased since Grover Cleveland entered the White House. Ignorance of the question, uncertainty as to the law, can no longer be pleaded in defense of the let-alone policy of this administration. The light of the press and Congressional investigation and discussion has been turned on.

LAMAR'S PHILOSOPHY.

But there is still another and more peremptory reason why the "reformers" should have fulfilled their pledges in this vital matter. I refer to the law passed March 3, 1885, and I will quote it, giving, by way of explanation of the causes which led to its passage, some remarks by Secretary Lamar in his last annual report, in which he quotes it (pages 34 and 35).

It has become generally known throughout this country that this large tract of land, fertile, well watered, and with its mild climate, is unoccupied, and that it has continued in this idle condition since the treaties of 1866. It is therefore not surprising that a large class of hardy, industrious people, residing in more thickly settled States, are eager to acquire homesteads upon it.

The respectful petitions of many peaceable and law-abiding citizens from numerous localities throughout the country requesting that it be opened to settlement, no less than the threatened unlawful invasions of the land, have had the effect of inducing consideration of the subject by Congress, which, at its last session, enacted the following provision of law, namely:

"That the President is hereby authorized to open negotiations with the Creeks, Seminoles, and Cherokees for the purpose of opening to settlement under the homestead laws the unassigned lands in said Indian Territory ceded by them respectively to the United States by the several treaties of August 11, 1866, March 21, 1866, and July 19, 1866; and for that purpose the sum of $5,000, or so much thereof as may be necessary, be, and the same is hereby, appropriated out of any money in the Treasury not otherwise appropriated; his action hereunder to be reported to Congress." (23 Stat., 384.)

This provision of law refers not only to the lands ceded by the Creeks and Seminoles referred to above, but also to lands ceded by the Cherokees, the status of which is considered herein under the title "the Cherokee outlet."

The unlawful combinations above referred to have rendered it, in my judgment, unwise to appoint this commission.

Here is a plain, unequivocal act of Congress, backed by public sentiment, instructing the President to negotiate with these Indians for the opening of that country, and appropriating the expenses of the negotiation. The country was expecting that the commission contemplated by this act would be immediately appointed. On April 13 Secretary Lamar assured Hon. Sidney Clarke and Capt. W. L. Couch that the commission would soon be appointed. Notwithstanding these things Mr. Lamar decided that it was "unwise to appoint this commission" which the law called for and which he had solemnly promised.

Mr. Chairman, I desire to ask who constituted Secretary Lamar a judge to decide whether the laws passed by this Congress should be obeyed? From what foreign power does he derive such commission? He certainly does not from the American people.

I ask the attention of gentlemen while I read some more gospel from this new dispensation:

Will it not be a lesson—valuable there and valuable elsewhere—to show to such transgressors that their way is hard, and that nothing will render the Indian occupation more permanent, or postpone the change in the use of these lands longer, than the attempts to invade and by force to obtain possession and enjoyment of them? The outlaws and depredators who imagine they can override the law and violate treaty obligations with the Indians will discover the impossibility of success when they find themselves confronted by the law of the land, strengthened by the civil and military arm, and backed by the moral sentiment of a just people.

THE NEW NULLIFICATION.

This, then, is the advanced moral doctrine, the grim doctrine of nullification, which was stamped out in 1865 by the genius of the three greatest statesmen of the nineteenth century—Grant, Lincoln, and Stanton, backed by the blood and treasure of the loyal North; this is the doctrine which the distinguished gentleman from Mississippi has, after months of broken pledges, revived to guide the Democratic administration and teach the American people a "valuable lesson."

This disposition of the present administration to override the rights of the common people, as shown in its use of military power to expel honest settlers from the Indian Territory, while protecting cattle-men in their illegal possession of the same country, is well illustrated by the President's veto of the very moderate and humane bill passed by this Congress for the relief of settlers upon the lands in Iowa known as "The Des Moines Valley Lands," and for its course in driving innocent settlers from the Old Winnebago and Crow Creek reservations, in Dakota. In the latter case President Cleveland issued an order to the settlers to vacate those reservations which they had, under authority of a previous proclamation of President Arthur, entered and made improvements upon, thus taking the law into his own hands and not waiting for the action of Congress in the premises.

But, sir, not only is this administration pledged by its promises made before election to expel the cattle-men from the Indian Territory, but it has repeatedly and explicitly made that promise since assuming the reins of Government. Not one of those promises has been fulfilled. It has used the Army to expel poor settlers with their wives and children, and to protect the occupancy of the cattle-kings.

I know, sir, that this sounds like harsh language, but I propose to prove every assertion which I have made. Let us, if possible, follow the sinuous course of this administration in connection with this great question.

PLEDGES MADE BY THIS ADMINISTRATION TO MESSRS. WEAVER AND CLARKE.

As soon as the Democratic administration came into power its attention was called to the evils resulting from the illegal occupancy of the Indian Territory by cattle-men. My colleague from Iowa [Mr. WEAVER] and Hon. Sidney Clarke, of Kansas, formerly a member of this House, called upon Mr. Cleveland soon after his inauguration. General WEAVER took with him a map, which afterward became famous for the use which he made of it in the Iowa campaign.

These gentlemen called the attention of the President to the condition of things in this country, as they had a right to do, and as it was a very timely thing to do. We are informed that the President was astonished at their recital and referred them to the Secretary of the Interior, Mr. Lamar. To that worthy functionary these gentlemen repaired, General WEAVER keeping a tight grip on his historic map. He laid it down before the Secretary, showed to him the extent and evils of the cattle occupancy and the glories which would dawn upon that fair region when it should be covered by the homes of white citizens instead of the barbed-wire fences of cattle barons. In the next campaign in Iowa we were told of the deep impression which the presentation of these facts made upon the susceptible mind of the Secretary; that, with tears in his eyes, and in tones husky with emotion, he said: "General WEAVER, there is a right and a wrong in this matter, and the right shall be done."

Messrs. WEAVER and Clarke withdrew from this affecting scene under the impression that the Secretary was very much in earnest. That was on March 7, three days after the inauguration. So impressed were the President and Secretary Lamar by the statements made by Messrs. WEAVER and Clarke that on the 13th of the same month the President issued his famous proclamation authorizing the removal of all corporations and unauthorized persons from Oklahoma. It is as follows:

A PROCLAMATION.

Whereas it is alleged that certain individuals, associations, and persons, and corporations are in unauthorized possession of the territory known as Oklahoma lands within the Indian Territory which are designated, described, and recognized by treaties and laws of the United States, and by the executive authority thereof as Indian lands; and,

Whereas it is further alleged that certain other persons or associations within the territory and jurisdiction of the United States have begun and set on foot preparations for organized and forcible entry and settlement upon the aforesaid land and are now threatening such entry and occupation; and,

Whereas the laws of the United States provide for the removal of persons residing or being found upon such Indian lands and territory without permission expressly and legally obtained of the Interior Department:

Now, therefore, for the purpose of protecting public interests as well as the interests of the Indian nations and tribes, and to the end that no person or persons may be induced to enter upon the said Territory where they will not be allowed to remain without permission of the authority aforesaid, I, Grover Cleveland, President of the United States, do hereby warn and admonish all and every person or persons now in occupation of such lands, and all such person or persons as are intending, preparing, or threatening to enter in or settle upon the same, that they will not be permitted to enter upon said Territory, or if already there will not be allowed to remain thereon, and that if due regard for, and voluntary obedience to, the laws and treaties of the United States and this admonition and warning be not sufficient to effect the purposes and intentions of the Government as herein declared, the military power of the United States will be invoked to abate all such unauthorized possession, and prevent such threatened entry and occupation, and to remove all such intruders from the said Indian lands.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

By the President.

[SEAL.] GROVER CLEVELAND.
T. F. BAYARD,
Secretary of State.

The able chairman of the Committee on Territories [Mr. HILL], in his instructive speech the other day opening discussion upon this bill, made an error in stating that no proclamation except that relating to the Cheyenne and Arapaho country was ever issued by the President. The proclamation to which Mr. HILL referred was dated July, 23, 1885, and was entirely independent of this one of March 13.

The first clause was aimed at the cattle companies; the second, at the settlers; the third refers to the binding force of the Indian intercourse act and the treaty of 1866, which I have before treated at length.

This proclamation was heralded over the country as the harbinger of a political reformation, a crusade against monopoly. It was the first

toot of the little Democratic tin-trumpet of reform. Monopoly was paralyzed with dread and wonder that a reform was really, seriously contemplated by a Democratic administration. The Mugwumps shrieked themselves hoarse with enthusiasm.

It clearly appears that this proclamation refers to the Oklahoma country and not to the Cherokee outlet nor to the lands occupied by the Cheyennes and Arapahoes. The proclamation covering the latter country was issued July 23, 1885, four months after the first one, which I have just read.

The second proclamation was reasonably well enforced, and the cattle were generally removed from that part of the Territory, but it should be borne in mind that the home-seekers were not asking the Government to open that land for settlement; they knew it was occupied by a few thousand Indians under proper authority; the country they did seek to enter and possess was Oklahoma, and by that name clearly identified and distinguished from all other lands within the Territory, 1,800,000 acres of choice land, which for twenty years past has continuously remained unoccupied by either Indians or white men, except the favored cattle-men.

This and the Cherokee outlet are the lands from which the Government, in justice to its own obligations and to a large number of its citizens who demand that favored classes shall not forever be preferred and shielded by national authority, should expel the intruding cattle-men.

HAS THIS ADMINISTRATION ENFORCED ITS PROCLAMATION?

This administration, speaking through its Secretary of the Interior, pretends to affirm that the proclamation of the President, of date March 13, 1885, has been enforced, and that the cattle-men and their herds have been removed from Oklahoma.

On page 32 of his annual report Secretary Lamar, in speaking of this land, says:

No agent of the Government resides upon this land, and it is not occupied in any way by any person or persons for any purpose under any authority of this Department.

The last six words are italicised in the report, thus indicating clearly that, while holding out the land to be wholly unoccupied, the Secretary, as if uncertain of his ground, adds the saving clause to which I have just called attention.

Mr. Chairman, it seems to be the belief of some Democratic members of this House that the administration did, in good faith, carry out the proclamation of March 13, 1885, and cause all cattle-men and their herds to be removed from Oklahoma, and has since prevented similar occupancy; and my distinguished friend from Indiana [Mr. HOLMAN], judging from a remark dropped during the speech of the chairman of the Committee on Territories [Mr. HILL], appears to be laboring under that delusion. It seems to me this gentleman and some other Democrats have indulged undue confidence in the present administration. They seem to be content—that is, some of them, but not all, by any means—to presume that all is going as it should and that the perfection of human government is now attained.

Mr. Chairman and gentlemen of the committee, if the President of the United States and his Secretary, Mr. Lamar, really intended in good faith to rid Oklahoma of cattle-men and their stock, subsequent events are very poor confirmation of that good faith. I state what has been satisfactorily shown me to be a fact, that while the officers in the Indian Territory charged with executing the President's proclamation did most effectually remove such of the poor home-seekers as ventured to go there and openly and manfully declare that they were such home-seekers and not cattle-raisers, yet that as to the cowboys and others in charge of stock or claiming to be there for the purpose of going into that business, those officers, except in the case of one man, named J. H. Anderson, did no more than make a pretense of removing the cattle-men by requiring them to "round up" their stock, as if preparing to remove them from the lands named, and then, and shortly after Secretary Lamar's annual report was made to the President, they were all, save the man Anderson, allowed to again turn their cattle loose; and ever since that time this country has swarmed with the cattle, supposed by the too-confiding statesmen, like the gentleman from Indiana [Mr. HOLMAN], to be pasturing on other lands than those from which, had the President's proclamation been enforced in good faith, they would have been removed.

THE CATTLE STILL IN OKLAHOMA.

I now submit to the committee, in the form of affidavits and letters, proof of my assertions in regard to the non-execution of the proclamation, and I have not the least doubt but the evidence will convince all who are disposed to recognize facts that my charges against the administration in regard to the point referred to are fully sustained by satisfactory proof. The affidavits and letters are as follows:

STATE OF KANSAS, *Sumner County, ss:*

I, Henry Boston, a citizen of the United States, and of the age of twenty-seven years, and by occupation a farmer, having been duly sworn, do depose and say that for several years I have resided upon and farmed a tract of land known as "Ben. Keith's farm," situated on the North Canadian River and about 12 miles east of Fort Reno and in the Oklahoma country; that I am familiar with the entire Oklahoma lands, and hereby make oath and affirmation that there have been and are at this time to my knowledge and best belief not less than sixty thousand (60,000) head of cattle held in Oklahoma as their home grazing grounds; and desire to state further that the above-mentioned cattle are owned by the following-named companies and men, to wit: W. B. Grimes & Co., Hewins & Titus, McClelland Cattle Co., Ford and Co., Tuttle and Co., Belle Plaine Cattle Co., The 4 D Ranch, The Z V Ranch, Burke and Martin, Berry Brothers., Wyeth Cattle Co., Horsford, Garrison, Beard Bros., McClure & Co., and others.

HENRY BOSTON.

Personally appeared before me, a notary public in and for the county of Sumner and State of Kansas, the above-named affiant, who voluntarily makes the foregoing statements under oath this March 30, 1886, Caldwell, Kansas.

[SEAL.] CASS BURRUS, *Notary Public.*
Com. expires Sept. 19, 1887.

On the same day, and at the same place, to wit, at the city of Caldwell, Kansas, personally appeared the undersigned citizens, who voluntarily make oath and affirmation that they have during the entire winter just past been employed by the Government contractor in cutting and hauling cord-wood and saw-logs from the timber on the North Canadian River, in the Oklahoma country, to the Ft. Reno military post, and are familiar with the entire Oklahoma country, and hereby voluntarily make oath and affirmation to the statements hereinbefore mentioned by the foregoing affidavit of Henry Boston as to the occupancy of the Oklahoma country by cattle; and that the estimate of 60,000 head of cattle held now in Oklahoma is not exaggerated, but is within the numbers we believe to be now in that section of country known as Oklahoma.

GEO. F. BROWN,
S. N. JONES.

CALDWELL, KANSAS, *March* 30, 1886.

Personally appeared before me, a notary public in and for Sumner County, Kansas, the above-named persons and affiants, who voluntarily makes the foregoing statements under oath.

[SEAL.] CASS BURRUS, *Notary Public.*
Com. expires Sept. 19, 1887.

We whose signatures are hereto attached are well acquainted with the men who have signed the foregoing affidavits, and believe them to be men of truthfulness, and with a high sense of honor; that the statements set forth in their affidavits are true, as many of us have at various times been through Oklahoma the past few months and witnessed the herds of cattle in that country. Done at Caldwell, March 31, 1886.

G. D. FREEMAN.
G. W. GIGRON.
JOHN IRWIN.
A. J. CLARKE.
J. A. GIVENS.
W. D. EARL.
N. B. EARL.
J. R. GRIFFITH.
D. R. MORRIS.
JAS. MORELAND.
A. J. JONES.
J. A. BLACKBURN.
SAM'L CROCKER.
A. E. STINSON.
S. C. SMITH, JR.
JOS. G. BLACKBURN.

[John Miller's affidavit.]

To all whom it may concern:

Personally appeared John M. Miller, the undersigned affiant, before me, a notary public in and for the county of Sumner and State of Kansas, and by me, being first duly sworn, deposes and says: That he has many times been over and across and is thoroughly acquainted with all the lands within the limits of Oklahoma, and just returned out of Oklahoma the 1st of this present month of April; that at the time I left Oklahoma the said country was literally covered with cattle, that I never at any time have seen more cattle in Oklahoma than there were on the 1st of April, this year. One man named Johnson, who has a band of horses and also a herd of cattle between the North and South Canadian Rivers, told me that the Army officials repeatedly told him to just keep his cattle out of sight, so they could report they did not see any, and that was all they cared for. In answer to how many cattle are now in Oklahoma, I would say that the country is practically covered with them, and in, my judgment, there are fifty thousand head, and I think there were one hundred thousand head of cattle turned loose last fall in Oklahoma, and no cattle have been removed except a small bunch of about one hundred and seventy-five head which were owned by a man named J. H. Anderson, who held them on Deer Creek, and was removed with his cattle by Major Sumner, of the military post at Fort Reno, I. T. Major Sumner, of the Ft. Reno post, previously to the ejection of this cattleman, Anderson, had ejected the settlers with their wives and children, ther teams, tools, and household goods, and escorted them across the Cherokee strip lands, and into the State of Kansas. This ejection of settlers was done about the 1st to middle of November, 1885, or last fall. Immediately after the settlers were ejected Major Sumner's command began to round-up the cattle in Oklahoma. These cattle were, however, all turned loose on or about the 10th to 15th of December, 1885, and it was common report among all the cattle-men and cowboys, obtained from the Army officials who came to notify the cattle-men to turn the cattle loose, that the orders to Major Sumner came from Lamar, Secy. of Interior.

There has been no further attempts by any of the military officials or other persons to remove the cattle in Oklahoma. In answer to the question, is Major Sumner, the commanding officer at the military post at Fort Reno, aware of the fact that Oklahoma is covered with cattle, I must say he certainly is aware of this fact.

And Lieutenant Rice, who has charge of the Indian scouts, is regularly around over the whole of Oklahoma looking for settlers, with strict orders to arrest and bring to Ft. Reno, if any are found, and must see these cattle and cattle-men every day. The cattle-men and cowboys are there in tents and are in no fear of being disturbed.

JOHN M. MILLER.

CALDWELL, KANSAS, *April* 21st, 1886.

Subscribed and sworn to before me, a notary public, in and for Sumner County and State of Kansas, the day and year above written.

[SEAL.] M. F. MAY, *Notary Public.*
Commission exp. Feby. 17th, 1886.

STATE OF KANSAS, *Sumner County, ss:*

Personally appeared before me, a notary public in and for the county of Sumner and State of Kansas, the persons who have hereunto set their hands to this affidavit, and, after being sworn, do make solemn oath and affirmation to the facts contained in the following statements, to wit:

That during the month of October, 1885, we did go with our families and make settlement on lands selected for our future homes in that portion of the Indian Territory called Oklahoma. That on the 3d, 4th, and 5th days of November Major Sumner, commanding the military post at Fort Reno, in the Indian Territory, with his command, acting, as claimed by him at the time, under orders from the Secretary of the Interior, arrested us as trespassers, and, under his military escort of United States cavalry and Indian scouts, took us from a point on

the North Canadian River some 40 miles from Fort Reno to the post, to wit, Fort Reno; we were kept for three days without rations, and in all five days at Fort Reno under guard; at the expiration of the five days we were started for the Kansas line, a distance of 110 miles, under the military cavalry escort of Captain Hayes, of the Fifth Cavalry, and by him and Captain Armstrong, of the infantry, escorted under close guard to the Southern Kansas State line, where we arrived on the 17th day of November, 1885.

The undersigned say furthermore that while they were dwelling in Oklahoma, going into and returning from that country, they saw many thousands of cattle ranging over all that country, and the owners and herders of the cattle, and that these men and their cattle were not molested nor disturbed; and in further remonstrance with Major Sumner upon the injustice and discrimination of removing settlers with their families, farming utensils, and household goods, and permitting cattle-men to remain, said he had no orders to remove either the cattle or cattle-men.

We desire to further state that some of our number have, during the time since their ejection, been employed in cutting wood for the Government contractor, having the contracts to furnish cord-wood to the military post at Fort Reno, the same being cut some 20 miles east of Fort Reno, and on the lands known as Oklahoma, and that no cattle or cattle-men have been removed from off the Oklahoma lands by any authority, from either the military post at Reno, Washington city, or elsewhere.

We desire further to say that Major Sumner, having ejected us from off and out Oklahoma, placed his command at work to eject the cattle-men and their cattle, and did eject one small owner of cattle by the name of Anderson with his herd of something less than two hundred head of cattle, and that while the larger herds were being rounded up preparatory to being driven out of the Oklahoma country the soldiers were suddenly withdrawn, and again the cattle-men with their cattle were left in sole possession and occupancy of the country. The soldiers and cattle-men all claimed that the orders to turn the cattle loose emanated from the Secretary of the Interior, L. Q. C. Lamar, by and through the request of Ginnes & Co., a wealthy cattle firm of Kansas City, Mo., and other cattle-owners interested in the continued possession of this vast country for grazing purposes only.

A. E. STINSON.
AMOS FRANKLIN.
R. THOMPSON.
B. F. BALL.
WM. McPHERSON.
C. W. SHEWEY.
R. J. THOMPSON.
E. J. BALL.
C. H. BALL.
MRS. C. REMORLD.
MRS. R. A. HAINES.

Subscribed and sworn to before me this 30th day of March, A. D. 1886.
[SEAL.] M. F. MAY, *Notary Public.*
Com. exp. February 17, 1889.

CAMP NEAR DARLINGTON, IND. T., *April* 14, 1886.

This is the Cheyenne agency in the Fort Reno military reservation, and is just west of the western line of Oklahoma.

SIR: We are now hauling logs from Council Grove to Fort Reno on Government contract.

Council Grove is an old town-site of the boomers.

The weather is fine, grass is growing, and plenty of cattle to graze upon it.

Last November the military removed the settlers from Oklahoma; afterward they made a faint effort to remove the cattle-men and cattle; but the cowboys were mostly out of sight. They will ride a long ways while Mr. Soldier is getting ready to start. The cattle were partly rounded up and drove to the north side of the Cimmaron River, and then turned loose, and, of course, in a few days the greater part of them had drifted back to their old range. As soon as the soldiers had returned to the post, the cowboys were back again as usual; made permanent camps and remained there ever since. I was at the "J. H." camp in February. There were several men there. I asked them if the officers at the post knew that they were there. They said: "Oh, yes; some of them have stopped over night with us, and we shall not be molested unless the settlers come in and they have to make another round-up." I think there are as many cattle in Oklahoma now as there were att his time last year. I passed through here then, and have been through considerable of the country this spring, and the number of cattle is about the same. I can not make an estimate, but they can be counted by the thousands. I see it published in the papers that the Secretary of the Interior says that there are no persons in Oklahoma by the authority of the Department. Now, I would like to know why it is that Keith, Shields, Pronsen, Housen, and others remain here year after year with their large herds and fine farms?

It is calculated to make men desperate to see these men plowing up Government land and planting corn, when others are dragged out, time after time, by the military.

DAVID ROSS.

SILVER CITY, IND. T., (southern part of Oklahoma,) *March* 8, 1886.

* * * * * * *

The removal of the cattle by the army was a mere farce.

All the cattle that were on the Oklahoma lands last fall have wintered there this winter, and there have not been any soldiers in this part of Oklahoma, although the officers at Fort Reno know that the cattle still remain.

A. C. McCORD.

SILVER CITY, IND. T., *March* 8, 1886.

DEAR SIR: Things are about the same as they were last summer. The cattle are all here that were last summer.

The military failed to take any cattle out. They did round-up a few, but turned them over to the cowboys, and they would drive them out of sight and let them go. I was out with the "Long O" outfit about two weeks, and we never brought out a hoof. I think there are at least 10,000 head of cattle at this time within 5 miles of our camp. The "Z. H." outfit is still in the same place it was last fall.

All the companies are holding their same old ranges. The cattle along the South Canadian are mostly "Long O," Smith & Forsyth, owners, with several side brands; besides Beard & Johnson, Johnson & Campbell, Bound & Williams. The O, the "Z Z" brand, and quite a number of others are here.

The north part of Oklahoma is occupied by the same companies and brands that have been there. I am in camp 12 miles south of Round Grove.

Yours, truly,

JOHN McGREW.

CALDWELL, KANS., *May* 22, 1886.

MY DEAR SIR: Although I am a stranger to you, I take the liberty to call your attention to the disgraceful condition of affairs which exists in the Indian Territory at the present time. It is now more than a year since the President's proclamation ordering the cattle-men out of Oklahoma, and nearly a year since acting Attorney-General Garland declared all leases of Indian lands, including those of the Cherokee strip, "illegal and contrary to law." No respect has been paid to the proclamation by the cattle-men, and they still occupy all of that country and are driving in more cattle nearly every day. The same is true of the Cherokee strip and of the surrounding Indian reservations, which are all in possession of the cattle syndicates. I only say to you what everybody knows here, and ask you, as a friend of fair dealing and honest government, to make it known to the country that while the home-seekers are excluded from the vacant lands with a relentless hand the cattle syndicates are left in full possession, and are protected by the military and by the officers of the Interior Department in plain violation of law. The illegal lease system seems to have resulted in corrupting the whole Indian service in the Indian Territory, and since the Interior Department does not enforce the law against the leases the people here do not see why it is that such a relentless spirit should be shown toward people who want homes. The greatest dissatisfaction exists among fair-minded men of all parties in regard to the discrimination of the authorities at Washington against the people and in favor of the cattle-men. Even the cattle-men who are here on the ground do not claim that such a policy is just. But they claim to have control of the premises, and to have a good understanding with the Army officers and Indian agents. They are and have been planning to get their leases extended on all the lands south of here for ten, and if possible, twenty years, and some of the most domineering of these speculators taunt the home-seekers with the remark of "What are you going to do about it?"

Very respectfully, your obedient servant,

AMOS FRANKLIN.

Hon. ISAAC S. STRUBLE,
House of Representatives, Washington, D. C.

But, sir, any one who is doubtful as to there still being cattle in Oklahoma has only to turn to the papers published in Southern Kansas, and he will find therein open statements to that effect by the cattle-men themselves in their advertisements.

Why, sir, it seems an unnecessary thing to do in order to convince this intelligent body of men that there are cattle there to offer these affidavits which I have read, when the substance of those affidavits is a matter of general notoriety throughout the Southwest, and the owners of those ranges advertise them in every weekly paper.

With the permission of the House I will quote from the advertising columns of only one of the many papers in which these gentlemen advertise their ranges. I hold in my hand a recent number of the Caldwell Journal, published at Caldwell, Kans. I find the following companies advertise ranches in Oklahoma and illustrate their private brands: McClellan Cattle Company, range on Black Bear and Stillwater Creeks, Oklahoma; Hewins & Titus, range on Skeleton, Oklahoma; Wyeth Cattle Company, fenced range on Bed Rock and Black Bear Creeks, Cherokee outlet, open range, on Cimarron and Cottonwood Rivers, Oklahoma; G. W. and C. T. Gorton, range 40 miles southeast of Fort Reno, Oklahoma; W. B. Roberts & Son (Stand. Oil, brand O. I. L.), range south of Cimarron, on Cottonwood and Campbell Creeks, Oklahoma.

Perhaps Mr. Cleveland does not subscribe for the Caldwell Journal; but he is not ignorant of the facts, as I shall show further on.

Besides these ranges in Oklahoma advertised, I find two in the Cheyenne and Arapahoe country advertised—R. H. Campbell's and the Cheyenne and Arapahoe Cattle Company. Yet we are asked to believe that the President's proclamation of July 23, 1885, swept all the cattle from that country, too.

Thus we see that all is now quiet in Oklahoma and the Cherokee outlet. The fences and buildings in use by the one hundred different cattle syndicates occupying the Cherokee outlet remain intact, and the "cattle upon a thousand hills" feed and drink at their pleasure, and at a cost of 28 cents per head are rapidly maturing for the benefit of the millions of poor consumers who pay just as much per pound for beef raised upon these prairies as for that produced on the farms of Iowa. In Oklahoma the delicate and sensitive cowboys roam at pleasure over the land which for twenty years has seemed to belong to no person or government. The poor people who for years have hoped to supplant both the cattle and cowboys, after waiting with suspense for long months for the fulfillment of the promises of the new reform administration, have been forced to scatter and surrender long and fondly cherished hopes.

The proclamation of March 13, and the personal pledges given by Secretary Lamar to Messrs. Weaver, Clarke, and Couch that the cattle should be removed, the commission appointed to negotiate with the Indians, and an early settlement of the difficulty accomplished, filled the home-seekers and the friends of civilization throughout the country with hope.

Captain Couch, relying upon the false assurances of the administration, was able, by his wise and moderate counsels, to prevent his impatient followers from entering the Territory, and from that day to this Captain Couch has led no force into that Territory, nor has there been any organized entrance of the country by any of his followers.

FURTHER ASSURANCE FROM LAMAR.

Months rolled away. In June Captain Couch wrote to Secretary Lamar that the cattle in Oklahoma were fat and being daily shipped, and inquiring when they were to be removed and the commission appointed. In reply, Mr. Lamar assured Captain Couch in the most solemn manner that his promises in regard to both the cattle and the commission would be fulfilled at an early day. In the fall Captain Couch, at the advice of his attorney, visited Oklahoma for the first time during the Democratic administration for the purpose of satisfying himself in

regard to the number of cattle there. He started out alone in a buggy, and by the time he reached Oklahoma was attended by about a dozen teams of unarmed farmers. Yet Mr. Lamar has seen fit to term this an "armed invasion," and to attempt thus to cast discredit upon a worthy man and a worthy cause.

The results of Captain Couch's visit to Oklahoma are best told in his own letter to Secretary Lamar, dated Winfield, Kans., November 21, 1885:

WINFIELD, KANS., *November* 21, 1885.

SIR: I left Caldwell on my trip through the Oklahoma country on the 22d of October. I reached the Oklahoma lands on the 25th. I overtook on the road about fourteen teams *en route* for the Oklahoma country. I reached the North Canadian, about the central portion of the Oklahoma country, on the 28th, and pitched camp at that point, and proceeded on horseback over the country to investigate the reports made of settlers and cattlemen occupying the country. In my investigations I found that about three hundred persons were in the country, apparently for the purpose of settling, but no improvements of any importance had been made. There appeared to be no organization of any kind of these persons; they had come from different parts of the country, independently, and located on the different streams, mostly living in tents. I found but very few of the members of our colony—perhaps not over ten per cent. of the persons there were members. I found, also, that very nearly all of the cattlemen who have occupied that country for years past are still in occupancy, and that none have been removed since the President's proclamation of March 13. They have not only been permitted to remain during the summer unmolested, but have made preparations for wintering, putting up hundreds of tons of hay, and make no hesitancy in saying that they were assured by the authorities of Washington that they would not be molested.

In addition to these who have been there for years, other cattle-men from the Cheyenne, Arapaho, and other reservations, and from Texas, have also located here with thousands of cattle. I found also that a military timber reservation had been established at Council Grove, 25 miles east of Fort Reno, and that a detachment of troops were then placed there to guard the same.

I was informed by several settlers located near this reservation that the officer in command had given encouragement to the settlers in the statement that in his opinion the country would soon be thrown open to settlement, and had even gone so far as to select a piece of land for his brother's location. It appeared to be the general opinion with the settlers, cattle-men, Army officers, and soldiers that no one would be ejected by force.

At Mount Grove, the point where I had pitched camp, about forty persons, men, women, and children, had congregrated up to the time of November 1, but no improvement had been made at this place of any character whatever, at which time Lieutenant James appeared with a detachment of troops and asked for an interview with myself. He stated he had been sent with orders to inquire who we were and what we were doing in the country. I asked to see his orders, which he refused. He asked each person their names and what they were doing, and to all except those there for the purpose of engaging in the cattle business orders were given to immediately leave the country. I asked him if persons engaged in the stock business were recognized as legal occupants, and he answered that it appeared they were, as his instructions were to molest no one engaged in that business, but to remove all others, except Government employés.

I made objection to this manner of proceeding and told him that it was unjust discrimination, and not in accordance with the assurances made to me by the Interior Department last spring; that I had been assured by the Secretary of the Interior that the richest cattle-man or corporation would receive no more favor from this administration than the humblest settler, and I was surprised and indignant to find this state of affairs, and stated that under the circumstances I should refuse to obey the order. He stated that if any hesitancy or resistance was made his instructions were to arrest the parties and take them to Fort Reno immediately, and ordered me under arrest at once. Several words passed between us, he insisting that he should place me under arrest, and I that I would not submit to it. Finally I suggested to him, to avoid difficulty, that I would amend my answer; that I would state that my object there was to locate a stock ranch, which he accepted and recorded as such, and withdrew the orders of removal and withdrew his men.

Other persons present made the same answer, and all orders of removal were withdrawn. His report, however, was sent to Fort Reno, on receipt of which Major Sumner with three companies of troops made a tour down the North Canadian, arresting all persons except those actually engaged in the cattle business. In the mean time eleven head of horses and mules had been stolen from the different settlers' camps in that vicinity, and the next day after Lieutenant James's appearance at our camp, I went with other persons who had lost stock in search of them, following them for several days. When I returned I found that all persons at the camp and in that vicinity, except the cattle-men, had been arrested; and I returned to Kansas by the way of Arkansas City, reaching that point on the 16th of November. Since that time the troops have escorted and turned loose at Caldwell sixty or eighty persons, a small proportion of whom were members of our colony.

I desire to say further that on my trip to and from Oklahoma, while I traveled through the Cherokee outlet, I found that the cattle-men holding leases declared to be invalid by the Attorney-General were still in possession unmolested, and in many cases quite valuable improvements have been made on said land since the opinion of Mr. Garland was rendered. I found that thousands of tons of hay had been put up for wintering their cattle, and they claim to have the assurances from the authorities at Washington that they will not be removed. On account of this state of affairs the people throughout the whole country are becoming impatient and are fast losing faith in the administration.

In my opinion the only way to peaceably settle this question is to either throw the whole country open to settlement at an early day or to remove all cattlemen as well as settlers from the country. The people will not quietly sit down and allow one class of citizens to enjoy the advantages of that country while another class is prohibited.

Yours respectfully,

W. L. COUCH.

The Hon. SECRETARY OF THE INTERIOR,
Washington, D. C.

The substance of this letter was given out by the Secretary to the Associated Press, on December 9, 1885, coupled with a statement from him that there were only five thousand head of cattle in Oklahoma. Yet on the next day, in response to a telegraphic summons from W. B. Grimes, a prominent cattle-man of Kansas City, Mo., Senators VEST, COCKRELL, and others waited upon Secretary Lamar and represented to him that it would be inhuman to drive the cattle out of Oklahoma; that the cattle were pressed for range on account of the great numbers which had come in from the Cheyenne and Arapahoe reservation. This interview was also given out to the press by the Secretary. So that the Secretary can not claim ignorance in regard to the presence of cattle there throughout the summer, fall, and winter, during which the poor people who knew that Oklahoma was public domain and had staked their all upon false promises of a Democratic administration were waiting for the great teacher to keep his word.

No attempt has ever been made to enforce the President's proclamation, except in October of the same year (1885), when the military authority at Fort Reno requested one Anderson, with his vast herd of about two hundred head, to vacate the country, and he kindly assented, driving his stock to Kansas.

Mr. Lamar did not move in June, 1885, because the cattle were spring poor; he did not move in December because Oklahoma had been so full of cattle during the summer that they had not done well. This past spring I suppose the same reason was assigned for leaving the cowboy to riot on the people's land. The country overflows with cattle, the pledges of the administration are unredeemed, while the people are demanding relief.

In the meantime this illustrious exponent of political morality sets himself up as a teacher of the American people and the American Congress; he proposes to teach them a lesson, a valuable lesson—that "the way of the transgressor is hard;" and he proposes to inculcate this valuable piece of instruction by nullifying the acts of Congress. But this is not the first time in which the Democratic chivalry of the South has attempted to nullify the voice of the people, from the days of Calhoun down to the last treasonable whine of that unrepentant old arch-traitor, Jeff. Davis. But, Mr. Chairman, although they may nullify, they can not stifle that voice, and it will grow louder and louder, until, ere many moons shall come and go, it will be heard throughout the land in such a deep, determined murmur of disapprobation as shall overwhelm this illustrious political pedagogue and his followers, and usher into power once more the grand old party of the Union and the flag.

Mr. Chairman, I thank the gentlemen of the committee for the very kind attention which they have given me, and now ask consent to append to my remarks in the RECORD arguments which I have prepared in regard to Original Indian Tenure and the Abrogation of Treaties and some statistics with reference to the consideration of our treaties with various Indian tribes.

OPINIONS OF OUR STATESMEN.

The Indians must abandon tribal relations; they must give up their superstitions; they must forsake their savage habits and learn the arts of civilization.—*Hon. J. D. C. Atkins.*

When the Indians become a part of the great brotherhood of American citizens, the last chapter in the solution of the Indian problem will be written.—*Hon. J. D. C. Atkins.*

The Indian reservations should be reduced in size commensurate with the wants of their occupants.—*Hon. H. M. Teller.*

Civilization will come slowly, if it comes at all, to those who wander about without fixed homes, however well the Government provides for their wants.—*Hon. H. M. Teller.*

The Indian does not need to have so much guardianship as many people would have us believe.—*General George Crook.*

The solution of the Indian problem is citizenship, and we believe that the time has come to declare by an act of Congress that every Indian born within the territorial limits of the United States is a citizen of the United States and subject to the jurisdiction thereof.—*Board of Indian Commissioners.*

We could not fit the negro for freedom till we made him free. We shall never fit the Indian for citizenship till we make him a citizen.—*Board of Indian Commissioners.*

The Indian can no longer hide himself in the fastness of the mountains or in the solitude of the wilderness.—*Hon. H. M. Teller.*

Contact has come between the settler and the Indian in all parts of the country.—*Hon. H. M. Teller.*

Civilization and savagery can not dwell together; the Indian can not maintain himself in a savage or semi-civilized state in competition with his white neighbor.—*Hon. H. M. Teller.*

He must adopt the "white man's ways" or be swept away by the vices of savage life, intensified by contact with civilization.—*Hon. H. M. Teller.*

Why should the Government support the able-bodied Indian who refuses to work any more than it should the white man who refuses to exert himself for his support?—*Hon. H. M. Teller.*

Let the fat steer of the non-resident, non-taxable cattle-baron no longer roam over the people's heritage.—*Hon. James B. Weaver.*

There is no branch of the public service where the opportunities are so great for peculation and embezzlement as in the Indian service, none where detection is so difficult.—*Hons. W. S. Holman, S. W. Peel, and W. H. Hatch.*

The Indians can no longer exist in this country in a savage or semi-civilized state, nor can they longer recede before the advancing march of civilization.—*Hon. L. Q. C. Lamar.*

The wild herds and flocks that so long furnished the race clothing and food are gone, and they must in some degree accept the methods and conditions of civilization or disappear.—*Hons. W. S. Holman, S. W. Peel, and W. H. Hatch.*

The resistless energy and enterprise of the American people have spanned all the great mountains and united the Atlantic with the Pacific by bands of iron and steel. The same energy and enterprise will not forever permit this vast area of fertile country to be turned over to monopolists and worthless savages.—*Hon. William D. Hill.*

We are upholding these rotten governments there under the pretense of civilizing the Indians. We justify our conduct by clinging to treaties that have served their purpose, and were never intended as anything but temporary expedients. We expected the time would come when the logic of events would enforce a different condition for them. We knew by past history that in the march of civilization these Indian governments must give way. These treaties with the Indian tribes were but expedients for their civilization. They are simply instrumentalities. They have served their purpose so far as the five tribes are concerned. The power is with Congress, and its duty in the interest of good morals, good government, their civilization and development, is to destroy the present systems of government in that country and give them a government that will afford protection to life and property. By wise legislation bring them

in contact with the whites, not as now, with fugitives from justice from other States and the bad and lawless elements congregated there, but with the sturdy, honest farmer and mechanic, who works and is contented with work and a quiet and peaceful home and family. When this is done, their real civilization will begin.—*Hon. John H. Rogers.*

The proper policy to pursue, not only in the Indian Territory but generally, is to cut up the reservation system at the roots; abolish the tribal relations; allot to each Indian adult a tract of land in severalty; let it be his, and let it descend to his children; compel him to settle upon it; make it inalienable for a generation, or longer if necessary; sell the remainder of the lands in the diffent reservations to actual settlers in not exceeding 160-acre tracts; let the proceeds of such sales constitute a trust fund for the Indians, &c.—*Hons. J. G. Cannon and Thomas Ryan.*

Large reservations foster the Indian in barbarism and offer an inviting field to the cattle-king. Break up the reservation; make the Indian a citizen; give him a farm; surround him with the best style of American civilization.—*Hon. James B. Weaver.*

The lands reserved for the accommodation of the Indians are undoubtedly much larger in extent than are needed for their wants and accommodation.—*Hon. L. Q. C. Lamar.*

Those who have most carefully studied the welfare of the Indians believe that it will be best advanced by the sale of his unneeded and unoccupied lands, and by bringing him into healthful contact with a good class of white settlers.—*Indian Rights Association.*

We can not stop the legitimate advance of emigration and civilization if we would, and, we add most emphatically, we would not if we could.—*Indian Rights Association.*

To-day the march of progress halts at the boundaries of the Indian reservation, but we can no more stop its resistless force than we can stop Niagara.—*Hon. Charles H. Allen.*

We shall have to waive certain rights guaranteed to the Indian, but which the march of events has made it impossible for us to execute.—*Hon. Charles H. Allen.*

What we need to-day is to break up these reservations and to bring the Indians in contact with the white men, that they may learn and know the white man's ways.—*Hon. Charles H. Allen.*

The policy of tending the Indian on a pillow and feeding him with a spoon will no longer serve; only by putting him on his feet and making him walk will he ever be able to stand up a man in the image of his Maker.—*Hon. Charles H. Allen.*

No more "free-soup" charity for the Indians.—*Hon. Charles H. Allen.*

Let the Indians learn that, ever since the Almighty issued His command, "In the sweat of thy face shalt thou eat bread all the days of thy life," obedience to that command has been the first step to be taken by any individual or any community in its march toward civilization.—*Hon. J. G. Cannon.*

By the present system of supporting Indians without labor you make paupers of them and their children.—*Hon. J. G. Cannon.*

We should take care to see that the Indians are protected from their own ignorance upon the one hand and the greed of dishonest or selfish individual white men on the other, who would keep them in their present state upon reservations that they may prey and fatten on them.—*Hon. J. G. Cannon.*

I would let the white man who obeys the laws take his implements of husbandry, his Bible, his courts, and his school-houses, and march in and settle among the Indians. I would not have the Indians off in a little knot at one side—a knot of concentrated barbarism. Oh, no. I would intersettle them with this sober, Christian, magnificent yeomanry of ours that has made this country, and that now, amid the storm and the tempest and the mutterings, preserves the country and will continue to do so.—*Hon. J. G. Cannon.*

The Indian on the reservation, without help, starves or murders. We must continue to feed him until we break up his reservation.—*Hon. J. G. Cannon.*

The very size and immensity of those Indian reservations tend to keep up the roaming and nomadic spirit, and militate against a settled and industrious life.—*Hon. Knute Nelson.*

Tribal life, tribal thoughts, tribal notions and aspirations should be forever emasculated and rooted out.—*Hon. Knute Nelson.*

Such a land system as the Indian reservation system would be demoralizing and degrading to even our own race, and would lead to mental, moral, and social degradation.—*Hon. Knute Nelson.*

The furnishing of rations to the Indians under the annuity system is an unmitigated curse.—*Hon. B. M. Cutcheon.*

I believe the preservation of reservations where, in the deep wilderness and vastness, hundreds of miles from civilization, these Indians can hide themselves beyond the reach and touch of the white man, is a hopeless system for the Indians.

These great reservations should be broken up, so that the touch of civilization may come upon them from every side. I would send the railroad with its pulsating life from border to border, that civilization might run along the iron way, bringing with it the newspaper, the school, the church, and the college, in their due time, until the Indian should feel he was existing in the touch of civilization, the touch of the white man, the touch of the white schools, the touch of all that goes to make up an English-speaking community.—*Hon. B. M. Cutcheon.*

Every one understands these leases (of the Cherokee Outlet) were without authority of law, and the Secretary of Interior perhaps did not possess the power to confirm them. The probabilities are that the Secretary did not possess the power.—*Hon. W. S. Holman.*

I fully agree that in nine cases out of ten they (the leases) were obtained by fraud, and I have long since declared both privately and publicly they are all void.—*Hon. S. W. Peel.*

Your great object should be to hold your land separate among yourselves as your white neighbors. Without this you will find you will have to emigrate or become extinct as a people.—*John C. Calhoun, in 1819, to the Cherokee delegation.*

We are glad that earnest attention is at last turned to the Indian Territory. Ten years ago we recommended that a government and United States courts be established over the Territory. Two years ago we called attention to the growing evil of leasing large tracts of grazing land, and to the danger that in a short time the whole Territory, except the small part actually occupied by Indians, will be in the possession of great monopolies. We hope that the investigation now going on and the propositions now before Congress will lead to some good result. If negotiations are conducted in a fair and wise and kindly spirit, we believe that an agreement may be made for the organization of a government extending over the whole Territory in place of the several national councils now maintained, each too weak to enforce its laws, and having no common bond of union. This would lead ultimately to the admission of the Territory into the Union as a State. Its unoccupied lands would be sold to hardy, enterprising settlers, who would develop the resources of the country and give it prosperity. It is evident that something must be done, for the Indian Territory can not always remain in seclusion. The annual trouble in Oklahoma has already grown to serious magnitude, and is attracting the attention of the whole country to the necessity of prompt and wise measures to settle the questions in dispute.

We recommend then—

1. The organization of a government in the Indian Territory.
2. The declaration by Congress that Indians are citizens of the United States.
3. The prompt passage of the general allotment bill and the Sioux reservation bill.
4. A large increase of the facilities for education—especially industrial education.

CLINTON B. FISK, *Chairman.*
WILLIAM H. LYON.
ALBERT K. SMILEY.
WILLIAM McMICHAEL.
JOHN K. BOIES.
WILLIAM T. JOHNSON.
ORANGE JUDD.
MERRILL E. GATES.
JOHN CHARLTON.
E. WHITTLESEY, *Secretary.*

The Hon. SECRETARY OF THE INTERIOR.

Steps should be taken at once to change the present condition of affairs in the unoccupied portion of the Indian Territory. It can be done without the violation of treaties or without subjecting the Government to the charge of bad faith. The power that made the treaties may in like manner abrogate or modify them. It is not proposed to despoil the Indians nor to compel them to accept less than the full value of whatever they surrender.—*Hon. H. M. Teller.*

What he (the Indian) does need is protection under the law; the privilege of suing in the courts, which privilege must be founded upon the franchise to be of the slightest value.—*Board of Indian commissioners.*

Unless some system can be devised gradually to extend over them our laws and authority it is feared that all efforts to civilize them, whatever flattering appearances they may for a time exhibit, must ultimately fail. Tribe after tribe will sink, with the progress of our settlements and the pressure of our population, into wretchedness and oblivion. Such has been their past history, and such, without this change of political relation, it must probably continue to be. Preparatory to so radical a change in our relation toward them, the system of education which has been adopted ought to be put into extensive and active operation. It ought to be followed with a plain and simple system of laws and government, compression of their settlements, and a division of landed property.—*John C. Calhoun, in 1822.*

INDIAN TITLE IN GENERAL.

The immunity which that monumental and extravagant anomaly of American statesmanship, "our Indian policy," has hitherto enjoyed has arisen from a mistaken idea of the original rights of the Indian upon the American continent. This idea, entertained by many honest philanthropists like the fair author of a Century of Dishonor, has been fostered by parties interested in perpetuating that policy for their own selfish ends. Certain self-appointed guardians of the rights of the Indians never tire of referring to the "original ownership of the soil" granted by God Almighty to the noble red man, and of citing the numberless instances when, by misrepresentation, bogus treaties, and trifling consideration, they have been induced to give up the "home of their fathers" and to steadily retreat before the advancing tide of civilization.

Let us examine the subject of original Indian tenure and of the paltry considerations for which we have wrested from them their paternal hunting grounds, in order that we may ascertain the degree of our indebtedness to this much-abused remnant of the North American aborigines.

It is a fundamental principle of the law of nations that the aboriginal inhabitants of the soil possess only a right of occupancy; and the measure of title acquired by that occupancy is determined by the extent of their wants and of their capacity to use the soil to supply those wants. (1 Grotius, 2, c. 11; see also Barbeyr; Puffendorf; 2d Bl. Com., 2; Locke on Government.)

This is the theory which has obtained in the subjugation of new countries from a very early day, and the greater advancement in civilization the leading powers of earth have made the more firmly fixed has this doctrine become and the more clearly has it appeared to be in accord with the highest interest of mankind and the progress of the human race. Upon the authority of this principle the New World has been subjugated, peopled, and civilized. Upon it, as a foundation of right and title rests the present greatness and the possibilities of the empires of the Western Hemisphere. England recognized this principle and claimed it as a right when, a few years ago, she overthrew the savage King of Ashantee and reclaimed the Guinea coast from the dark pall of cannibal barbarism, and the world said, "It is just."

The American Indians could have acquired no proprietary rights to the illimitable tracts over which they roamed. They had no natural right to more soil than that for which they had a natural use. As justly might the puny fisherman claim proprietorship over the trackless ocean. The original use of the soil by the Indians was the use of the wild beast of the forest; and in no rightful sense could it interfere with appropriation by those who earned their bread by the sweat of their brow. Their tenure was not like ours. Civilization affords no example of it. They did not inhabit the country; they overran it. Theirs was not a legal possession in the true sense of the term. Vattel, in his Law of Nations, Book I, section 81, says:

The whole earth is destined to feed its inhabitants; but this it would be incapable of doing if it were uncultivated. Every nation is then obliged by the law of nature to cultivate the land that has fallen to its share.

Those nations who inhabit fertile countries, but disdain to cultivate their lands, are wanting to themselves, are injurious to all their neighbors, and deserve to be extirpated as savages and pernicious beasts. There are others who, to avoid labor, choose to live only by hunting and their flocks. This might doubtless be allowed in the first ages of the world, when the earth, without cultivation, produced more than was sufficient to feed its small number of inhabitants. But at present, when the human race is so greatly multiplied, it could not subsist if all nations were disposed to live in that manner.

In section 209, same book, the author speaks as follows:

There is another celebrated question to which the discovery of the New World has principally given rise. It is asked whether a nation may lawfully take possession of some part of a vast country in which there are none but erratic nations whose scanty population is incapable of occupying the whole?

We have already observed (section 81) in establishing the obligation to cultivate the earth that those nations can not exclusively appropriate to themselves more land than they have use for, or more than they are able to settle and cultivate. Their unsettled habitation in those immense regions can not be accounted a true and legal possession; and the people of Europe, too closely pent up at home, finding land of which the savage, stood in no particular need and of which they made no actual and constant use, were lawfully entitled to take possession of it and settle it with colonies.

We do not, therefore, deviate from the views of nature in confining the Indians within narrower limits. However, we can not help praising the moderation of the English Puritans who first settled in New England, who, notwithstanding their being furnished with a charter from their sovereign, purchased of the Indians the lands of which they intended to take possession. This laudable example was followed by William Penn.

Furthermore in book 2, section 97, the author holds this view:

The savages of North America had no right to appropriate that vast continent to themselves; and, since they were unable to inhabit the whole of these regions, other nations might without injustice settle in some parts of them, provided they left the natives a sufficiency of land.

See also Smith's Wealth of Nations, book 6, chapter 1, and Montesquieu, book 18, chapter 12.

The opinion of Chief-Justice Marshall in Johnson *vs.* McIntosh (8 Wheat., 543), decided in 1823, is appropriate right here. After reviewing the history of the conquest and settlement of America he says:

All the nations of Europe who have acquired territory on this continent have asserted in themselves and recognized in others the exclusive right of the conqueror to appropriate the land occupied by the Indians.

In Fletcher *vs.* Peck (6 Cranch, 87 and 142), decided in 1810, the same distinguished jurist holds this opinion:

The nature of the Indian title, until it be ligitimately extinguished, is not such as to be absolutely repugnant to a seizure in full on the part of the State.

In United States *vs.* Cook (19 Wall., 591), the court, referring to Johnson *vs.* McIntosh, holds that "the fee is in the United States, subject only to the right of occupancy by the Indians;" and "the possession, when abandoned, attaches to the fee without further grant." (See also Beecher *vs.* Wetherby, 62 United States, 525.)

Attorney-General Cushing (8 Op., 262) uses this language:

It is a fundamental doctrine of our public law that the Indians do not hold a fee in the lands of their original occupation, but only a usufruct, the fee being in the United States. (See Mitchell *vs.* U. S., 9 Peters, 711; Latimer's Patent, 14 Peters, 4; U. S. *vs.* Fernandez, 10 Peters, 303.)

There was a time when the true relation of the Indians to the United States was not so clearly seen as it is now. We had been accustomed to make treaties with them, as if they were independent of us; that was an error.

We dealt with their petty tribes as nominal nations; that led to strange misconceptions. We had spoken of their lands, as if a mere handful of savages who happened to be within the geographical limits of a region of country large enough for a civilized umpire could be deemed its proprietors in virtue of any rule of natural right or of positive law.

We had respected their assumed rights; that is, had left them to their savage quasi-independence, instead of, by force, compelling them to enter into some appropriate place in the social organization; and thus they have perished of too much liberty.

Words of mine are not needed to add force to the language of this eminent lawyer, who has so clearly and graphically presented the absurdity and injustice of our position. The fact that our Government, in order to placate the Indian tribes and prevent needless bloodshed, dealt with them as though they really possessed a title to the soil did not create that title in them nor strengthen this right of possession. The Indian, in his ignorance and savage independence, imagined that he was absolute lord over all the country he could traverse in a week's journey; and for politic reasons alone, to prevent a sanguinary conflict between civilization and barbarism, it was well to allow him this conceit; but can it be argued, in the light of all the decisions and opinions I have quoted, that the empty forms of a so-called treaty strengthened the title of the party purchasing from him? Certainly it can not.

If, in more recent years, we have granted to certain tribes, in fee-simple, an extravagant amount of land, out of all proportion to their past, present, or possible needs, it has been a free gift to them, without the consideration of their relinquishment of any ownership of other lands. Indeed, I claim that in most cases such gifts have been without any consideration at all. The alleged consideration for which certain tribes have been granted vast areas of land (of an adaptability to their mode of life equal to the land which they had relinquished, and increasing in quantity with each succeeding removal) and large subsidies in money and merchandise was, that they relinquished to us what?—their right of possession which, except so far as it related to the land absolutely needed by them, Congress had the moral and legal right to take from them. In other words, Congress has, and always has had, perfect right to deprive all Indian tribes, except those holding a fee-title to their lands, if the use of more territory than needful to them in a state of civilization.

I even go further, and agree with the honorable Secretary of Interior Teller, who says (see Senate Executive Document No. 54, Forty-eighth Congress, second session):

It is believed that there will be found at all times in the United States a wholesome public sentiment that will demand of the Government that its contracts heretofore made with the Indians be respected in all cases where they do not conflict with the interests of the Indians and are not unjust to the people of the United States; but contracts or treaties impossible of execution, unjust and unfair to both whites and Indians, ought to be segregated or modified by legislative action. It is not beneficial to the Indians to have millions of acres of valuable land remain unoccupied around them.

The power that made the treaties may in like manner abrogate or modify them.

INDIAN TREATIES—CONSIDERATIONS FROM UNITED STATES TO INDIANS.

Mr. Chairman, inasmuch as it is frequently asserted that the consideration for which we have obtained from time to time the lands of the Indians was inadequate and often trifling, mere parchment promises made to be broken, I have thought it desirable to carefully examine our past Indian treaties with a view to ascertaining just how inadequate and trifling those considerations were. I have already mentioned some of the perpetual and temporary annuities which we have paid or engaged to pay; but I wish to call attention to the merchandise and various cash gifts which have entered into the consideration of these treaties. In preparing the following list I have had time to consult our treaties with only three tribes, the Creeks, Seminoles, and Cherokees. The list is incomplete, not mentioning numerous services stipulated for, and which were equivalent to a cash consideration, such as the payment by the United States of the expenses of all removals of Indians and all surveys of lands sold by or to the Indians.

Creeks:

August 7, 1790.—One thousand five hundred dollars perpetual annuity.

June 29, 1796.—Six thousand dollars spot cash; 2 blacksmiths, strikers and tools.

June 16, 1802.—Three thousand dollars perpetual annuities; $1,000 for ten years (per annum); $10,000 of merchandise; $10,000 due by Creeks to Government, released; $5,000 cash; 2 sets blacksmith tools and man to work them for three years.

November 14, 1805.—Twelve thousand dollars cash or merchandise, at option of Creeks, annuity for eight years; $11,000 annually for ten years; 2 blacksmiths and 2 strikers for eight years (in lieu of former agreements in regard to blacksmiths).

August 9, 1814.—Temporary gratuities of corn.

January 22, 1818.—Twenty thousand dollars spot cash; $10,000 annually for ten years; 2 blacksmiths and strikers for three years, in lieu of former stipulations to supply these sons of Vulcan.

January 8, 1821.—Ten thousand dollars spot cash; $10,000 upon ratification; $5,000 annually for two years; $16,000 annually for five years after preceding two; $10,000 annually for six years after preceding five; claims of citizens of Georgia against Creeks, not exceeding $250,000.

February 12, 1821.—Lands west of Mississippi River, acre for acre, for lands in Georgia relinquished by Creeks; $200,000 at ratification; $100,000 at removal; $25,000 within one year after settlement west of Mississippi River; $25,000 at end of two years thereafter; $5,000 thereafter for ten years.

January 24, 1826.—Repeals above treaty; country in the promised land proportionate to their numbers;" $217,600 at ratification; $100,000 upon removal.

November 15, 1827.—Twenty-seven thousand four hundred and ninety-one dollars on ratification; $15,000 in cash and merchandise on demand.

March 24, 1832.—Twelve thousand dollars annually for five years; $10,000 thereafter for fifteen years; $100,000 upon ratification; $16,000 expenses of Indian "junketing excursion" to examine lands west of Mississippi River; $20,080 claims against Creeks assumed by the United States; $400 in life annuities; $3,000 cash; $1,400 to those who emigrated without cost to United States; rifles, molds, wiper, and ammunition to each emigrating warrior; blanket to each family; $3,000 annually for twenty years for education; two blacksmiths to be supported by United States for twenty years; 2 tons iron and 200 cwt. steel annually for twenty years.

June 14, 1866.—Nine hundred and seventy-eight thousand one hundred and sixty-eight dollars.

Seminoles:

May 9, 1832.—Fifteen thousand four hundred dollars cash in hand; $3,000 annually for fifteen years; blanket and frock apiece; support of blacksmith for ten years; $7,000 claims against Indians for slaves and other property stolen by them, assumed by the United States; United States agrees to buy all their spring-poor cattle; expenses of removal to country west of Mississippi River; subsistence for twelve months after removal; $90,000 cash in hand; $7,200 annually for ten years; $12,500 annually forever; $12,500 annually forever as soon as Seminoles in Florida join their Western brethren; expenses of all Seminoles who wish to emigrate from Florida; subsistence during removal and for one year thereafter; to each warrior, one rifle, two blankets, powder and lead, hunting shirt, pair of shoes, 1½ yards strouding, and 10 pounds good tobacco; to each woman, youth, and child, one blanket, pair of shoes, "and other necessary articles of comfortable clothing;" $20,000 in improvements after removal; $3,000 in agricultural implements.

August 16, 1866.—Two hundred and twenty-five thousand three hundred and sixty-two dollars cash; 200,000 acres.

Cherokees:

July 2, 1791.—"Certain valuable goods;" $1,000 perpetual annuity; implements of husbandry; support of four interpreters.

February 17, 1792.—One thousand five hundred dollars perpetual annuity instead of above $1,000.

June 26, 1794.—Five thousand dollars perpetual annuity in lieu of above.

October 2, 1798.—Five thousand dollars in merchandise: $1,000 in merchandise as perpetual annuity.

October 25, 1805.—Three thousand dollars valuable merchandise; $11,000 within ninety days; $3,000 perpetual annuity.

October 27, 1805.—One thousand six hundred dollars within ninety days.

January 7, 1806.—Two thousand dollars upon ratification; $2,000 annually for four years; grist mill; machine for cleaning cotton; $100 life annuity.

September 11, 1807.—Two thousand dollars.

March 22, 1816.—Five thousand dollars within ninety days; $25,500 indemnity for losses sustained by march of United States Army through Cherokee country.

September 14, 1816.—Five thousand dollars within sixty days; $6,000 annually for ten years.

July 8, 1817.—Lands on Arkansas River, acre for acre, for lands ceded east of Mississippi River; to all warriors who may remove to west of the Mississippi River, one rifle, ammunition, blanket, brass kettle, and beaver-trap apiece; means of transportation and subsistence during same; payment for improvements on lands; reservation out of lands ceded by the Cherokees of 640 acres for each head of a family.

February 27, 1819.—Reservation as above; payment for improvements.

October 24, 1804.—Five thousand dollars in "useful goods;" $1,000 perpetual annuity.

May 6, 1828.—Grist and saw mill "out West;" $50,000 upon removal; $2,000 per year for three years; $8,760, "spoliation claims;" $1,200, gift to Chief Tom Graves; $500, gift to George Guess; $2,000 annually for ten years; $1,000 toward

printing establishment; $3,500, debt of Cherokees to United States factory; surveyors to be furnished and found to survey their 7,000,000 acres west of the Mississippi; $500 to Jim Rogers; $5,000,000 for lands east of the Mississippi.

February 14, 1833.—Four blacksmith shop; one wagon-maker shop; one wheelwright shop and necessary tools and implements furnished for same; 4 tons iron; one thousand pounds steel; four blacksmiths; one wagon-maker; one wheelwright, to be furnished and found, annually during pleasure of President; erection of eight patent railway corn-mills in lieu of mills agreed to be built by treaty of 1828; 4,000,000 acres west of Mississippi and perpetual outlet.

December 29, 1835.—Eight hundred thousand acres; all expenses of removal from the East and subsistence for one year after removal; $600,000 in lieu of expenses of removal and spoliation claims previously stipulated for.

August 17, 1846 (date of proclamation).—One hundred and fifteen thousand dollars bonus; $27,000 claims.

July 10, 1866, (proclaimed).—Three thousand dollars, orphan asylum; $10,000, expense of Cherokee delegation to Washington; future expenses of Cherokee Government, salary of officers, &c.

CAN THE UNITED STATES ABROGATE A "TREATY" MADE WITH ITS INDIAN "WARDS?"

Now, Mr. Chairman, there is one more point which I wish to discuss and I am done. Has this Government the right to abrogate treaties, so called, made with Indian tribes? This right has been questioned by some who oppose such legislation as is contemplated by this bill; and I wish to review, as briefly as possible, the authorities upon this subject.

I have been greatly aided in the preparation of this argument by consulting the speech delivered a few weeks ago in the United States Senate by Hon. J. H. MITCHELL, of Oregon.

The legal right of a government to abrogate a treaty which is distasteful to it, and its moral right to abrogate one which is pernicious to its interests, are pretty well understood; yet it may not be out of place to refer to a few authorities upon this point.

Article VI of the Constitution places public treaties and the laws of Congress upon the same footing, making them together "the law of the land."

Story, in his Commentaries (volume 3, section 1502), says:

The treaty-making power is necessarily and obviously subordinate to the fundamental laws and constitution of the state.

Again, in volume 2, section 1508, he says:

A power given by the Constitution can not be construed to authorize a destruction of other powers given in the same instrument. It must be construed, therefore, in subordination to it and can not supersede or interfere with any other of its fundamental provisions. Each is equally obligatory and of paramount authority within its scope, and no one embraces a right to annihilate any other.

Now, it will not be denied that the articles in the Constitution giving Congress the right to make treaties with foreign powers and to regulate intercourse with the Indians are of equal force and that neither can annul the other. They are parts of the same instrument and stand upon the same footing.

The court, in Taylor *vs.* Morton (2 Curtis, 454), said:

It is impossible to maintain that under our Constitution the President and the Senate exclusively possess the power to modify or repeal a law found in a treaty. If this were true no change in a treaty could be made without the consent of some foreign government. That the Constitution was designed to place our country in this helpless condition is a supposition wholly inadmissible. It is not only inconsistent with the necessities of a nation, but negative by the express words of the Constitution. That gives to Congress in so many words power to declare war, an act which *ipso facto* repeals all treaties inconsistent with a state of war. It can not, therefore, be admitted that the only method of escape from a treaty is by the consent of the other party to it or a declaration of war.

To refuse to execute a treaty for reasons which approve themselves to the conscientious judgment of a nation is a matter of the utmost gravity, but the power to do so is a prerogative of which no nation can be deprived without deeply affecting its independence. That the people of the United States have deprived their Government of this power I do not believe; that it must reside somewhere and be applicable to all cases I am convinced, and I feel do doubt that it belongs to Congress.

Attorney-General Akerman, in 1870 (13 Opinions, 357), referring to Taylor *vs.* Morton, said:

There is nothing in the Constitution which assigns different ranks to treaties and to statutes; both the one and the other, when not inconsistent with the Constitution, seem to stand upon the same level and to be of equal validity; and as in the case of all laws emanating from an equal authority, the earlier in date yields to the later.

Attorney-General Crittenden (5 Opinions, 345), had held similar views:

An act of Congress is as much a supreme law of the land as a treaty. They are placed on the same footing, and no preference or superiority is given to the one or the other. The last expression of the law-giving power must prevail, and just for the same reason and on the same principle that a subsequent act must prevail and have effect, though inconsistent with a prior act, so must an act of Congress have effect though inconsistent with a prior treaty.

In Foster and Elan *vs.* Neilson, 2 Pet., 253, the Supreme Court held this language:

Our Constitution declares a treaty to be a law of the land. It is consequently to be regarded in courts of justice as equivalent to an act of the legislature whenever it operates of itself without the aid of any legislative provision.

Mr. Justice Field, in the case of a Chinese laborer from Hong Kong, decided by him in 1883, said:

The Constitution of the United States, however, places both treaties and laws made in pursuance thereof in the same category, and declares them to be the supreme law of the land. It does not give to either a paramount authority over the other. So far as a treaty operates by its own force without legislation, it is to be regarded by the courts as equivalent to a legislative act, but nothing further. If the subject to which it relates be one upon which Congress can also act, that body may modify its provisions or supersede them entirely.

The court in the Clinton Bridge case (1 Wool., 150) said:

A law declaring lawful a bridge over the Mississippi River which obstructs the navigation of the river is not unconstitutional because of the treaty with France by which its free navigation is secured.

In the case of "The Amiable Isabella" (6 Wheat., 1), Justice Miller, delivering the opinion of the court, said:

Courts possess no power to declare a statute passed by Congress and approved by the President void, because it may violate such obligations.

President Hayes, in his message of March 1, 1879, said:

The authority of Congress to terminate a treaty with a foreign power by expressing the will of the nation no longer to adhere to it is as free from controversy under our Constitution as is the further proposition that the power of making new treaties or modifying existing treaties is not lodged by the Constitution in Congress, but in the President, by and with the advice and consent of the Senate, as shown by the concurrence of two-thirds of that body.

During the Senate discussion upon the Chinese question in 1876 Senator EDMUNDS said:

The Supreme Court has decided unanimously more than once, and I think upon perfectly impregnable grounds, that if a law is in conflict with a treaty that existed when the law was made, the treaty, to the extent that the law does conflict it, is abrograted by the general sovereign power of the nation.

The first exercise by Congress of its right to abrogate a prior treaty was in 1798. On July 7 of that year an act of Congress was passed abrogating our treaties with France. It read as follows:

That the United States are of right freed and exonorated from the stipulations of the treaties and of the consular convention heretofore concluded between the United States and France, and that the same shall not henceforth be regarded as legally obligatory on the Government of the United States or citizens of the United States.

Senator Thurman, in the debate above-mentioned, quoting the act of July 7, 1798, said:

There was a treaty abrogated expressly by act of Congress, and on the question of power it does not in the least militate against this exercise of power by Congress that the preamble to this act sets forth divers causes why the treaties ought to be abrogated, and alleges breaches of the treaty on the part of France; because, whether there was cause or not cause to abrogate that treaty, if the Congress had no power to abrogate it, if the power to abrogate it resided with the treaty-making portion of the Government, then no matter what was the cause, Congress had no right to pass the law. But it was not so regarded then. Congress did pass that law; and we have again and again since, and notably in our treaties with the Indian tribes, modified or even put an end to them, according to our own opinion of what was right and proper; and that we have that power in the opinion of the Supreme Court of the United States has been conclusively shown by the Senator who last spoke on this bill.

Senator EDMUNDS, in the debate of 1876 above referred to, said:

To me it seems perfectly clear that the proposition can not for a moment be sustained, and that it would be ruinous to this country, or to any country, to hold that a treaty can only be put an end to by the negotiation of another; for that would put you completely at the mercy of the party with whom you had negotiated the treaty.

A case still more pertinent to our discussion is the Cherokee Tobacco Case, 1870 (11 Wall., 616). The court held that the act of Congress of July 20, 1868, superseded Article X of the Cherokee treaty of 1866. Article X of the treaty exempts from taxation Cherokee agricultural products. The act of 1868 extended the revenue laws of the United States "over articles produced anywhere within the exterior boundaries of the United States, whether the same shall be in a collection district or not." The court held that the act embraced within the operation of its provisions the Indian Territory.

Justice Swayne, citing Taylor *vs.* Morton and The Clinton Bridge, the two cases to which I referred a few moments ago, said:

In the cases referred to these principles were applied to treaties with foreign nations. Treaties with Indian nations within the jurisdiction of the United States can not be more obligatory. In the case under consideration the act of Congress must prevail as if the treaty were not an element to be considered.

Here we have the opinions of two Attorneys-General, two distinguished constitutional lawyers, President Hayes, and the Supreme Court in Taylor *vs.* Morton, Foster *vs.* Neilson, and the Cherokee Tobacco case, besides the decisions of Justice Field in the ninth circuit, all agreeing upon the equality, under the Constitution, of an act of Congress and a treaty. We find that we have already exercised this right of abrogation in several cases. Three times we have abrogated our treaties with France: once in 1798, before referred to; again in the case involved in the Clinton bridge; and again in 1804. An act of 1804, erecting Louisiana into two Territories, annuls all grants for lands in the ceded territories the title whereof was at the date of the treaty of St. Ildefonso in the Crown of Spain. Not only this, but we are even now contemplating an abrogation of our treaties with China and the Sandwich Islands, and no one questions our right to do so, and but few the justice and wisdom of such a measure.

In view of all these facts, it does not seem to me that this point needs further argument in order to sustain it.

In conclusion, I wish to say most emphatically that the American Indian is the intellectual peer of most, if not all, the various nationalities we have assimilated to our laws, customs, and language. He is fully able to protect himself if the ballot be given and the courts of law not closed against him.

If our aim be to remove the aborigine from a state of servile dependence, we can not begin in a better or more practical way than by making him think well of himself, to force upon him the knowledge that he is a part and parcel of the nation, clothed with all its political privileges, entitled to share in all its benefits. Our present treatment degrades him in his own eyes by making evident the difference between his own condition and that of those about him. To sum up, my panacea for the Indian trouble is to make the Indian self-supporting, a condition which can never, in my opinion, be attained so long as the

privileges which have made labor honorable, respectable, and able to defend itself be withheld from him.—*General George Crook.*

To Oklahoma I would apply the words of Mr. Herbert Welsh, the able and conscientious secretary of the Indian Rights Association of Philadelphia (speaking of Senator DAWES'S Sioux bill):

The waves of an importunate civilization that can not long be either staid or stopped at the bidding of any man are beating incessantly upon the border of the great reservation. It is the deep conviction of the Indian Rights Association that sound policy now demands the opening of a lawful channel for the advance of this mighty tide. Hesitation at the present critical time invites catastrophe.

The words of Hon. J. G. CANNON, of Illinois, in his speech a few days since upon the Indian appropriation bill, are deeply significant in this connection:

In the onward march of our race, of our civilization, there is no time or place where he (the Indian) can slowly through the centuries grow out of barbarism, retaining his race idenity. If we would not have him perish we must incorporate him into the body-politic, into our race. This can only be done by prompt action, and now is the time to commence. Every year that passes makes the work more difficult; for those white men who believe that equitably they should have homes on these reservations are ever increasing. You may undertake to hold them back month after month, and year after year, but if you hold them back much longer they will, supported by the force of public opinion, which makes and unmakes laws, sweep across the boundary, and the hand of no Congress and no Executive dare stay them, because no "body" that ever existed is more responsible to public opinion than we, the representatives of the people.

Post-Office Appropriation Bill.

SPEECH

OF

HON. PRESTON B. PLUMB,

OF KANSAS,

IN THE SENATE OF THE UNITED STATES,

Wednesday, April 28, 1886,

On the amendment of the Committee on Appropriations relative to foreign mai service in American steamships to the Post-Office appropriation bill.

Mr. PLUMB said:

Mr. PRESIDENT: I do not desire at this time to say very much upon this amendment, but having charge of the bill and to that extent being the organ of the committee I think it proper to state generally what the view of the committee was in regard to it. This is an amendment somewhat similar in its terms and entirely similar in its intention to the provision which was adopted in the Post-Office appropriation bill of last year, and to which the Postmaster-General did not give effect.

It has been widely assumed that the intention is in the first place to subsidize a steamship line, or more than one steamship line engaged in the foreign carrying trade, and for the purpose of maintaining that subsidy idea it is alleged that this amendment is not germane to to the Post-Office appropriation bill, because it does not design in any material way to expedite or give value to the postal servie of the United States, but that its design is wholly for the accomplishment of a commercial purpose.

For the purpose of the vote which I have already given in committee and for the purpose of the vote which I shall give upon it in the Senate, I do not stand upon a ground other or different from that which I stand upon when I vote to give the Postmaster-General a right to pay whatever price he finds necessary for the inland transportation service of the country, whether that be by rail, by star-route, or by steamboats engaged upon the rivers and the coast waters of the United States.

The people of the United States have been for the last twenty-five years so engaged in the development of the empire which lies west of the Mississippi River that they have seemed to eliminate entirely from their consideration commercial intercourse of any kind or description whatever with any portion of the world which lies outside of the bounds of the Republic. We spend $5,000,000 and upward every year for what is called the star-route service, and the amount has been $7,000,000 in recent years. Nine-tenths of that service in its incipiency is a service which does not yield to the Department a direct return of half its cost. No matter where our people go upon our changing and constantly receding frontier the star-route mail service follows and supplies them. The unbroken prairie of to-day to-morrow has upon it the cabins of a handful of settlers; in some gulch of the Rocky Mountains a new mining camp is established, and promptly the mail service is extended to meet the new wants.

The Postmaster-General, whoever he may be, does not stop to inquire whether the service which he puts on, whether it be weekly, triweekly, daily, or double daily, shall immediately return to the Post-Office Department a sum of money equal to the amount expended, but he says in the first place, "Here is a collection of American people who are entitled to be served by the United States mail. I know that the establishment of this service will in time, not next year perhaps, nor it may be for ten years, but at some time, give back to the Post-Office Department in the shape of increased revenues the expenses which we may now go to beyond the immediate receipts."

These new lines quicken the entire service. The New York people, for the purpose of magnifying their importance with reference to the postal-revenues of the Government, point with a great deal of pride to the fact that the receipts of the service in that State are much greater than the expenses; but there is not a hamlet in the United States which does not contribute to the sum which New York receives. Every new post-office established in Arkansas, in Kansas, in Colorado, or anywhere else in this new region of country, with its corresponding mail-route, stimulates the sending of the mails from New York city, and from all Eastern places, and, in fact, from all portions of the United States.

Looking further in this bill we find an item of $500,000 for the transportation of mails upon the inland waters of the United States. That service is put on in the same way without any calculation whatever as to the ratio between expenses and receipts.

These methods concerning internal transportation of mails has been going on for a generation. During that generation millions of people have sought new homes west of the Mississippi. Occasion has arisen for railroads, for school-houses, for bridges, for agricultural implements, and by means of this occasion there has been work for American laborers in American manufactories. There has been given to all branches of trade and commerce life, permanence, and profit, which without this extension of the settlement of the country it never would have had. The Post-Office Department looking at this thing from the postal standpoint alone has been ministering to all this growth, to all this improvement, and to all this extension of the business of the American people by the establishment of mail service upon the rivers and upon the prairies which for the time being outran the receipts from that service.

This amendment is for the purpose of doing for American residents in foreign countries and for the people who do business upon American soil with foreign countries precisely what is being done every day for the people of the United States with reference to their business with each other upon American soil.

Mr. BECK. I am anxious, and I know the Senator from Kansas is, to have this question fully presented. If he will allow me just a moment, I will say in the line of his present argument that one of the serious objections I have to the amendment is that it looks to crippling and curtailing the postal service rather than advancing it. I am speaking in perfect good faith, not to make any objection, when I say that in all matters relating to the postal service in our great country west of the Mississippi and in the great Territories, where it is carried on at a loss, we are looking simply to the most efficient, the quickest, and the cheapest service. We do not care whether the locomotive was made in London or Berlin, whether the wagon was built in New Jersey or in Paris. Now, we are seeking to pay service for American-built ships that may take twice as long to deliver the mail which we seek to send as other ships on other lines, and we are preventing the Postmaster-General from using the fastest, the best, and the cheapest means of reaching our people at home or abroad. That is the point to which I desire to call the Senator's attention as one of the objections which I shall make to the amendment.

Mr. PLUMB. The Senator from Kentucky seems to say as expressing his own opinion, although he may have been doing it simply for illustration, that he did not care whether the cars and the wagons which carried the American mails of which he has spoken were manufactured by British manufacture or American manufacture.

Mr. BECK. I meant to say that our present law does not prescribe where the conveyance shall be built.

Mr. PLUMB. I was going to say that I do very much care. I am desirous, so far as I can aid in it, that whatever instrumentality the Government of the United States puts in motion for the accomplishment of any of these purposes shall be an American instrumentality.

Take the case which the Senator from Kentucky mentioned. Supposing it to be true that at this present moment of time there is not plying between American and foreign ports named and intended to be covered by this amendment American-built steamers which are as swift and which ply as frequently as British steamers do between the same ports, I think the policy of the Senator from Kentucky would continue that disparity between American and foreign steamers. If I had my way about it I would adopt a plan which would reverse the relations now existing, and which would make the ocean service, by means of American ships, more swift, more frequent, and more fully answering all the purposes of our foreign commerce than the ships of any other country could possibly do.

But I was proceeding to say that this amendment is fashioned, and so far as my support is given to it it can be given and will be given upon the basis of that which we are doing to-day, as we have done in all times heretofore with reference to the inland service of the United States. I believe that if the service between New York and Rio, the Argentine Republic, the River Plata, and all the ports of South America should be quickened it would result in increased revenues to the postal department. I believe that it would be bread cast upon the waters with as much certainty of return as the Department has ever cast it upon the waters in the star-route service.

All modern business is done upon the basis of expedition and convenience. Men will not go around two sides of a triangle to go to Brazil to do business as obviously as they would if they could go across one side of the triangle and thereby accomplish the same purpose. To require our business to go from New York to Rio or to any other of the ports of South America via Liverpool is to interpose a barrier which is practically fatal. The whole sum and substance of accomplishment in a business way for the last thirty years has been to contract time and space, because in doing so you not only contract the cost but because you have adapted yourself to the increasing ambition and determination of the people to bring all their ventures within the smallest possible compass. The merchant in Saint Louis who should be content to get his goods within the limit of time which twenty years or even ten years ago amply suited his purpose, would to-day be left in the race. So whenever we do business with foreign ports and peoples we must do it upon a scale which will be sufficiently quick and frequent to meet modern conditions.

That the Senator from Kentucky will say I have no doubt trenches upon the commercial side of this question. So it does, but while it trenches upon the commercial side it is still carrying out the postal idea, because just as we say when we give the service to a new town in the West, we know that there will follow it merchants, lawyers, doctors, and everything else that comes as the concomitant of settlement, production, and town-building there or elsewhere, making trade and commerce, and that trade and commerce gives revenue to the Postal Department. So if we can multiply by one or two or ten fold the carrying trade, the commercial transactions existing between this country and South America, we will have multiplied not only one but ten fold the revenues of the Postal Department, and thereby will bring back to that Department the same returns upon a like investment which it receives now by reason of the extension of the inland mail service of the country.

I do not see why the Senator from Kentucky above all the Senators on this floor should seem to be so fearful that we shall do something to stimulate the communication between this country and South America and other foreign countries. That Senator supported on this floor as I think, in fact it almost went without opposition, the proposition to give $1,600,000 to establish an exposition at New Orleans for the sole and only purpose of stimulating and building up our trade with South and Central America. Yet when it is proposed to give only one-half of that sum to get a better American steamship service than we get now, whereby our mails and the productions of our fields and shops may be carried to South American markets under conditions which give them a fair chance there, it meets with an opposition which is to me a great surprise.

Is there any good reason why the mails to South and Central America and to other foreign countries with whom we have trade relations which we desire to extend should not be carried in American steamships? Why should not our facilities for this business be as adequate as those of Great Britain and other countries? Why should we cling to our theory of isolation, the theory which cuts us off wholly from communication and from trade with other countries, when with a little effort we may enter into that trade with great chances of success? I do not know that the proposition that this mail shall be carried by American steamships has anything to do with it, but there seems to be a very great complacency over the fact that the bulk of our mails is now carried by foreign steamships; and it seems to me that we have been pursuing a policy of non-action which is going to make the disparity between American steamers and those of foreign build in the ocean carrying service greater than ever, and always to continue.

It is no satisfaction to me to hear, as I do very often from our people returning from abroad, that they never see an American flag flying in a foreign harbor. It is no satisfaction to me to know that our minister to Rio goes to Liverpool in a British vessel and from Liverpool to Rio in another British vessel because there is no adequate regular communication between New York and Rio by means of an American ship. I should be glad to have it otherwise. I should be glad indeed if in the direct line of this appropriation, in the line of increasing the facilities and the revenues of the postal service, we could in addition help to build up an American line of steamers between New York and those ports and between other of our domestic ports and foreign ports.

As I said, we have given ourselves over so wholly to internal affairs, we have rejoiced so much in the acquisition of the great wealth which has come from the development of the West, that we have ceased to include within the objects to be accomplished by the American people any extension whatever either of influence or trade into foreign countries. We have given up supinely the trade of Mexico to Germany and to Great Britain. We have refused to meet half way the republics of South and Central America, who have for many years past subsidized lines of steamers to New York, hoping thereby to get some good-will and some reciprocal action upon the part of their older brother of the North American Republic. We have even refused to meet half way the Pacific colonies of Great Britain in the same line. We are getting to-day nearly a hundred thousand dollars profit for carrying the British closed mails from New York to San Francisco, where they are put upon a line of steamers subsidized by the Australian colonies to run from San Francisco to Melbourne, a subsidy which we have refused to meet by doing anything to keep up the same line. And now Great Britain and Canada combined have subsidized with a great sum, stated as being a million dollars per annum, a line of steamers to ply between Vancouver and the ports of China and Japan. It will only be a short time until the British closed mails, in place of going by American railways across the continent, will go by British railways to meet at Vancouver British steamers, which will carry them to their destination, and the line to San Francisco be a thing of the past, and along with it will disappear American trade with the Australian colonies and the other Pacific islands. The preparations at Vancouver, the urgency which has been manifested in building the Canadian-Pacific railway, the great subsidy already granted to steamships, shows the British determination to not only maintain ascendency in the Pacific Ocean commerce but to take bodily possession of the whole of it.

Millions for trifles, a constant increase of salaries, gifts, and donations everywhere, anything and everything for internal affairs, and nothing, not even wise prevision, we do not even do that which we could do without money and without price, for the purpose of extending our influence beyond our borders, for the purpose of opening new markets for American labor, for American capital, and for American enterprise.

Mr. President, the loaf will not for a long time be perceptibly larger. Those who may rightfully claim a share in it are growing in numbers every day. There is room enough on American soil for more people, but they will not readily come down to the Chinese theory that the survival of the fittest means the survival of those who can live upon the least. The American people are not yet ready to come to that nor to that condition of things in which a bare livelihood comes as the result of labor and enterprise. They want new fields for their enterprise, they want opportunity for their genius and their skill, and they will not always have it at home. We have carried forward the great enterprises which have engaged the attention of our people under great pressure; and as the great floods of the Mississippi, when they come down as the result of the melting the snows in the mountains, leave wrecks behind, so the forward movement of our great national enterprises leave wrecks of hopes and fortunes to mark its course. These great monuments have added greatly to the wealth of the American people and on the whole have been beneficent, but they have their undertow and reaction of personal misfortune.

Instead of gathering them up we float them off the shores and bars by new forward movements, which give new opportunities in new fields. We are not yet ready to sit down as with completed fortunes and a mission that is ended and adjust ourselves to a state of affairs in which there are to be no gains except the modest ones which come from traffic in old and well-worn fields. That means the settlement of delicate, difficult, and perhaps dangerous questions now which can well be postponed and which may be forever removed by the opening of new fields for our enterprise.

It is just as well while the field is open to us and we have the opportunity and our people are willing to engage therein that we should give opportunity for them to get into the neighboring States and places which are waiting for the touch of skill and capital to bloom into new life. If the Government had engaged in building the Nicaragua Canal there would have been now an American colony extending from the Gulf of Mexico to the Pacific along its line, and millions of the American people would have engaged in enterprises in Central America with profit; there would have been new fields for labor, for enterprise, and for capital. That opportunity was thrown over our shoulders.

All South America to-day is anxious, hungry even, for rapid communication with the United States, anxiously waiting and watching and hopeful that we will so order our affairs that they may trade with us as they trade with other people.

Everybody who speaks of this question with intelligence, every one who approaches the consideration of this subject fairly and thoroughly, agrees that the one thing more than anything else which we need is that we shall have frequent and rapid communication with the South American republics. But conceding this it is asked, why not have this communication by means of foreign ships as well as with those of American build, why not hoist the American flag over the ships built on the Clyde from iron ore taken out of British soil, manufactured and put into shape by British labor? We can thus get cheap ships, and I have no doubt the Senator from Kentucky will say that with foreign ships we can get a cheap service; but, Mr. President, service of that kind will not bring business to American mechanics or American merchants as it would if it were carried on in ships manufactured by American mechanics out of American material. Is ship manufacturing to become a lost art among the American people? With more seacoast than any other country in the world, are we to be the only ones that man no ship the result of our own skill and of our own material? If I had my way about it, I would never permit the American flag to be hoisted over a ship that had in it other than American material or which was the product of other than American labor.

I would make that creation of all others representative of the highest and the best of American skill. An American ship will convey to foreign people something significant of the American Republic, some idea

of what its people are, of what the country is, of the productive skill which comes of free institutions. I know we can buy ships in Great Britain and in France cheaper than we can build them. There are hundreds of them to-day in the various harbors of Great Britain that are for sale, some old and some new. Many of them can be bought perhaps at a price that would be the price of old iron, and the value of them probably would not be much greater. Who wants to have them purchased to engage in American trade and to fly the American flag?

I would like to ask the Senators who sit on the other side of the Chamber and who rendered gallant and faithful services to the confederacy under arms, if they want to vote money to build up British shipyards by buying British ships over which the American flag is to float? If I have read the history of the confederacy aright, I should think that the men who fought that valiant fight and who went down after four years of such struggle as the world never before saw, had more occasion to despise and hate Great Britain than any other people in the world. She promised the confederacy that which kept it alive with hope, and she broke her promise as she always does when it is her interest to do so. She was the friend of the confederacy in the time when it needed the encouragement of that friendship to stimulate it with the hope necessary to inaugurate the desperate struggle; and when it was entered upon, when it had assumed its bloodiest phases, when there came the Macedonian cry for that help which had been promised, she basely deserted you. What true confederate would vote to fly the American flag over an English-made ship, the representative of English capital and skill?

At the close of the war there was a sentiment in the South against Great Britain growing out of her heartless treachery which looked as though it would never be appeased except with blood. The North also had a quarrel with Great Britain growing out of the war, and there was a feeling well nigh universal that war was necessary to appease the wrath of both sections, now again united. The veterans of the South were desirous of joining their late antagonists of the North in a bloody punishment of the foe of both.

This sentiment was kept in abeyance by the trouble of reconstruction under Andrew Johnson; but the feeling was only dormant, and when Grant became President the old feeling broke out. The Alabama-depredation claims were unsettled, and a war could have been easily brought about. I say now what I have said over and over again elsewhere, that I think it was General Grant's greatest title to fame that he, a soldier, opposed the war feeling, said in substance, "No; we will have no war until we have exhausted every effort for peace. There has been war enough in this generation." The Alabama commission followed, and war was averted. The sentiment of the country, North and South, would, however, have justified it, and I know that of those men who reflect to-day as every day upon the glories and the woes of the confederacy not one of them does so without bringing to his mind a recollection of the fact that Great Britain at that time was your foe where she had promised to be your friend.

Mr. BECK. Will the Senator from Kansas allow me to call to his recollection the fact that General Grant as President of the United States, when the Franco-Prussian war broke out, sent a special message to Congress insisting that Congress should authorize a free registry for foreign-built ships, in order to carry on American trade during the embarrassments we should be under when France and Germany went to war with each other, and he urged it with great power.

Mr. PLUMB. The circumstances then and now are entirely different. At that time it seemed as though two great powers, great in a maritime way as well as great on land, were about to devote all their energies to war. Naturally President Grant wanted the United States to take advantage of a condition of things in which the merchant marine of both those great nations would be weakened if not destroyed to build up its own. To do this might require sudden effort, and hence the proposition that we should permit our own people to give American register to foreign-built ships. But I think the proposition was a mistake, for the result would have been not that Americans would have bought the French and German ships, but that their ships would have been given American register and thus avoided capture, while the ownership would have remained the same.

Whoever votes to put ships built in foreign yards under the American flag and under American register votes in substance that there shall be no American ship-yards, votes that ship-building shall be a lost art among American mechanics, and votes that the American people shall be dependent always in time of war and in time of peace upon foreign ship-yards for everything that may be necessary for commerce or war upon the sea.

And, Mr. President, we shall not get an American navy merely by building American naval ships. We shall only get an American navy by building up an American merchant marine. We have given hundreds of millions, an enormous sum certainly, for the purpose of subsidizing railroads and other instrumentalities of intercourse and development on American soil. We have built up this great interior space; we know now what every acre of soil will produce; we have a system of railroads that enables us to bring the products of those acres to any or all points upon the Atlantic or the Pacific coast cheaply and quickly. No nation can get all its producers to one point as completely as the American nation.

One per cent. of what we have done for that purpose—a purpose that I do not belittle, a purpose that was vital to the growth and development of the American people—will give to us supremacy upon the sea. I said here two years ago that the time was near at hand when the young men of New England would not hereafter, as heretofore, inevitably go to the West; that there would be a turn in the tide, and that shortly the old feeling would lead the adventurous youth of New England as they looked out upon the sea to think of the islands in it and of the foreign countries beyond, in which they could find fruitful fields for their enterprise and their skill, and that we were on the threshold of an outward development which would be the equal of the great internal development of which I have spoken.

But, Mr. President, when you seek to turn a stream in a new direction you have got to cut the channel to give direction to it. Capital is not going into new enterprises at home as freely as formerly. The field is not as free from competition, nor is there the room for new, long lines of railroads. There are no longer opportunities for building railroads five hundred or a thousand miles long; and the short lines are being built by existing companies as feeders to their main lines. The great enterprises absorbing large amounts of new capital and opening new fields for speculation are things of the past, comparatively. It is the day of minor things, comparatively speaking. And now here lies Mexico on one flank and South and Central America upon another, our next-door neighbors, the places where if at all we are to have a foreign trade commensurate with our abilities to supply it. Let the Government do a little something; let there be something of the spirit which animated the Government in its determination to have the Rocky Mountains traversed by a railroad and to thereby have the two great seas bound together with iron bands and we shall fill every plain and every valley of Mexico and South and Central America with settlers and thereby make markets for all American products and give ample opportunity for American enterprise and ambition.

If the Democratic party to-day was the Democratic party of forty years ago, if it was the Democratic party of the Monroe doctrine, there would be no halting and hesitating here about this or about measures involving ten times the expenditure that is proposed here if found necessary; but the Democratic party of to-day is not the Democratic party that in former days had so much to say about its devotion to the Monroe doctrine. Instead of that it is here objecting to any means of communication being established which shall bind to us the south half of the American continent. We see it objecting specially that there should be any carrying of American mails in American ships.

This work, according to modern Democracy, is to be done for the American people by foreigners in ships built in foreign ship-yards. Eight hundred thousand dollars! We vote away without a yea-and-nay vote, without a single response from either side of this Chamber, bills expending millions of dollars for objects of luxury, stale claims, increasing salaries, libraries, monuments, so-called scientific work designed primarily to create places, things which give neither wages to labor nor opportunity for enterprise, and $1,600,000 for an exposition in New Orleans in the hope that the sluggish currents of life in that locality might be awakened to the opportunity offered by its proximity to Mexico and Central America to do something for our trade with those people, and yet a proposition to appropriate half that amount in such a manner as while legitimately adding to the efficiency of the mail service will also stimulate the building of American ships and the extension through their agency of our trade and commerce, the Democratic party shivers from center to circumference.

While we have been debating about questions of minor importance Germany has taken bodily possession of the Mexican Republic. I have it from an authority which is not to be disputed, and which if I were to name it would not be disputed, that there is great danger that the Mexican Central Railroad, extending from El Paso to the City of Mexico, built by American capital, will pass into the hands and under the control of British and German capitalists. I would not blame the patriotic people who built that railroad if they sold it to whoever would buy. The United States Government has manifested no interest in the enterprise or any indication of its intention to protect the Americans who built the road from unjust and illegal treatment by the Mexican Government. It is not strange, therefore, that the Mexican Government has taken away the subsidy granted to the road and otherwise violated the contract under which the road was built. They know they can do this with impunity, and judging the future by the past, they can go further and destroy or take possession of the entire property whenever they see fit without risk of interference from our Government.

Before this session is over we shall tumble $5,000,000 into the Mississippi River to be washed out and every sign of it disappear during the fiscal year for which the appropriation is made. We shall put further millions into little creeks where nothing but a possibility of tow-boat navigation ever existed or ever can exist, rather than to navigate the free ocean in search of the trade that is waiting and anxious to come to us and the coming of which will enable us to keep on in that same scale of improvement and development which has characterized the last twenty years of American history.

Mr. President, I had not designed to enter into this subject at this

length. I stated in the outset what I repeat, that I can justify my vote for this measure upon the narrow ground that it will return certainly within a brief period of time to the Postal Department all the dollars we spend just as certainly as we get them back from the investment of money in the star-route service. Is there any man who believes if while we are doing that we are bringing the Central and South American states nearer to us by means of American ships commanded by American officers and manned by American seamen, we shall not thereby open wider and make more permanent the channels that will carry increasing quantities of goods of American manufacture into those waiting countries? It is because of the fact that this result is likely to follow this expenditure that opposition is made. I am glad myself to support it upon the narrow ground that I have stated, and more so because of the incidental but great results which I can see will follow in the extension of the trade in our manufactured goods and food products. This may not be the best opportunity that will present itself, but it should be taken advantage of.

Business depression exists with us as all over the civilized world. A slight addition to our trade would relieve us and give employment to all our idle labor. We can do this while holding firmly to our home market, the greatest in the world. We are comparatively free from debt, without the necessity of keeping up a great army and navy. Our people are vigorous, enterprising, ingenious, practical. They are capable of competing successfully with any other people in the world upon conditions at all equal. Why should not the Government with the resources drawn by taxation from all expend a reasonable sum in establishing the same mail service between our own ports and those of our nearest neighbors and who desire to trade with us and generally accommodate themselves to our wishes and interests? Why should we not at least enter upon this field and do something to relieve the burdens that exist here and lay the foundation for a larger and broader and more profitable and more hopeful future than we can ever expect to have if we continue the policy of isolation heretofore practiced?

Oleomargarine.

SPEECH

OF

HON. JOHN T. HEARD,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 3, 1886,

On the bill (H. R. 8328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine—

Mr. HEARD said:

Mr. SPEAKER: It is not my purpose at this late stage in the consideration of the bill now pending to attempt a general discussion of its provisions; but in view of the wide variance of opinion held by those who respectively favor and oppose it, and preferring to state for myself the reasons which control my action thereupon rather than to have them supplied for me by those who differ from me, I shall briefly state my reasons for supporting the measure.

In examining this subject there are two foundational questions to be considered, the determination of which by each member for himself must control his individual action. Those questions are: First, is the proposed legislation constitutional; and, secondly, is it necessary? Holding for myself the affirmative on both these questions, I shall unhesitatingly support the bill.

In support of my position on the first of these two propositions I shall confidently refer to the decisions of the Supreme Court of the United States, especially that in the case of the Veazie Bank *vs.* Fenno (8 Wallace, 533), referred to in the report of the committee on this bill, and also by the gentleman from Georgia [Mr. HAMMOND] in his speech in opposition thereto. In that decision the court declares that the subjects to be taxed and the extent to which they may be taxed is a matter resting in the discretion of Congress alone, and that "the power to tax may be exercised oppressively upon persons, but the responsibility of the legislation is not to the courts but to the people by whom its members are elected."

Then, Mr. Speaker, it being established by this unquestioned authority that Congress has the power to lay taxes upon all taxable objects which it may select for the purpose of raising revenue, and further that such power may be exercised to whatever extent Congress may decide to be proper; and it being admitted, as it is on all sides, that such action on the part of the legislative branch of the Government is not subject to revision by the judicial, it results that if this is a bill to raise revenue Congress has full power over the subject, and that the exercise of such power in nowise conflicts with any constitutional limitation.

The distinguished gentleman from Georgia [Mr. HAMMOND] in his speech in opposition to this bill, concedes the correctness of this position as to the law of the case; and bases his opposition to the measure upon his denial of the fact that the object of said bill is to raise revenue.

Now, Mr. Speaker, if the courts of the country in construing legislative acts are bound by the face of the statute which they interpret, and can not, as they hold, pass beyond the text of a law in an attempt to penetrate the chamber of the law-maker's mind to ascertain and declare his meaning otherwise than as expressed in his act, I respectfully submit that it is not the province of any gentleman on this floor, while conceding that the objects expressed in the bill under consideration are legitimate and clearly within the limits of the Constitution, to assume to go beyond the language of the measure and declare for it a purpose of a different and more objectionable character, and to supply to those who favor the bill motives other than those which they avow.

I say to these gentlemen, with all due respect, that for myself, and in view of my responsibility to my constituents and of my conceptions of the obligation of my oath to support the Constitution, I shall exercise the right to interpret the language of this bill for myself, and will absolve those who differ from me in that interpretation from all responsibility for my action. If, Mr. Speaker, I were willing to accept the position to which the unfair judgment of these gentlemen would assign me, and were ready to admit that this is not a bill to raise revenue, I could not dissent from the conclusions reached by them, and I should feel compelled to vote against the bill; for I hold, with them, that the use by Congress of any power conferred by the Constitution for any given purpose, for the accomplishment of a different object, would be wholly unjustifiable; and for Congress to use the taxing power given by the Constitution for the purpose of destroying any legitimate industry, the product of which only was nominally sought to be taxed, in order simply to build up another, would be a flagrant abuse of that power and violative of the spirit of that instrument.

But again calling attention to the fact that the opponents of this bill all admit that it contains no provision which interpreted by the ordinary and accepted rules of interpretation conflicts with the Constitution, and that therefore their opposition to said measure proceeds from their objections to some purpose suspected for but not appearing on the face of the bill, I now proceed to explain why this measure is not necessarily calculated to destroy the industry of making imitations of butter, but is calculated to produce for the use of the Government some revenue by the taxation of an object that can well bear it, and placing the manufacture of the same under proper and necessary regulations. Assuming that the object of the bill is to raise revenue, the propriety of its enactment depends upon three conditions, namely: First, does the Government need the revenue? Secondly, will this object of taxation bear the tax proposed? And finally, does the character of this industry make it necessary and proper that such taxes should be collected by the machinery proposed in this bill?

With reference to the first condition, do we need the revenue, I respectfully refer to the last report of the executive head of the Treasury Department, in which it will be seen that at that date his estimates of the probable expenditures of the Government for the next fiscal year would absorb the anticipated receipts, and leave a deficit of $24,000,000; and to this we may add, as the result of legislation had since the date of said report, at least $6,000,000, which must also be provided for.

We are told by some of the opponents of this bill that we should not rely upon this estimate, for the reason since it was made the receipts of the Government have exceeded, while the expenditures thereof have fallen below the amounts fixed for them respectively in said estimate. This variance from the estimate may be true, but if so it only shows that the ever-changing conditions of the business of the country makes it unsafe to disregard the conservative margin fixed by the Secretary of the Treasury as the result of his best judgment based upon the experience of the past applied to the prospects of our near future.

It is estimated by the Committee of Agriculture of this House, whose report is before us, that the extent of the manufacture of these imitations of butter reach 200,000,000 pounds per annum; and therefore, should the production continue in the same volume, and the tax be fixed at 8 cents per pound, as now provided in the bill, and the entire product become taxable and pay the tax, the revenue to be derived from this source would be $16,000,000, less the cost of its collection. I think, therefore, that it is safe to assume that the revenue to be raised by this measure may be needed to meet the ordinary expenses of the Government; but even if it should not be, if it be just to tax this product as proposed, and necessary to do it by the means proposed, the prospect of the accumulation of money to be derived from this source to be held idle in the Treasury need not be alarming, in view of the fact that we have a large interest-bearing debt on which any surplus may be applied.

Advancing next to the examination of the second question, Will the object proposed to be taxed bear the rate of tax proposed in the bill? I submit that I think it has been clearly shown by the evidence presented to the committee and referred to in their report that the affirmative of this proposition can easily be maintained, and it is a significant fact that not one of the opponents of this measure has shown or attempted to show the contrary to be true. Instead of their showing that the effect of the legislation proposed would be to destroy the oleo-

margarine industry, they content themselves with charging that such is the object of the advocates of this bill.

It is shown by competent evidence that the average cost of this product is about 7½ or 8 cents per pound, and that the average retail market price to the consumer is about 26 cents, leaving between the cost of manufacture and the price paid by the consumer the extraordinary margin for profit, less the cost of handling, of about 18 cents per pound, or more than twice the original cost. Deduct then from this margin 2 cents for the tax proposed, and 2 cents to cover the cost of obtaining special license to deal in the article, and you still have left 8 cents, or 100 per cent. on the original cost.

But, Mr. Speaker, I wish to be distinctly understood in the position, that if 8 cents per pound is a greater tax than the business, conducted under the proper and necessary surveillance of law, will fairly stand, then let the rate be reduced; but in justice to all concerned, let it be all that it will stand. As a Democrat, and one opposed to the doctrine of "protection for protection's sake," I do not intend to commit myself to the support of any measure which avowedly, or otherwise, is based upon the claim that it is the duty or the right or within the proper exercise of the power of this Government to destroy any legitimate industry in order, simply, to build up or maintain another.

But I do hold that it is a necessary and inevitable result of all such taxation that an incidental protection is given thereby to such kindred industries as may escape the tax levied; and I desire to say, Mr. Speaker, that in this case—not admitting in the first place that the manufacture and sale of oleomargarine, as at present conducted, is a legitimate industry—the incidental protection which may result to the languishing dairy interests of the country, is such an one as I think clearly comes within the range of constitutional authority as declared in the platforms of the Democratic party, and practiced in the legislation of all the political parties which have ever controlled this country. Not basing my support of this bill upon the right or duty of Congress to legislate against any interest, or for the encouragement of any industry, any further than may result from an attempt to lay taxes so as to justly equalize the burdens of the people, and protect them whenever practicable against imposition and fraud, I do not hold it to be pertinent to my discussion of this measure to inveigh against the character of the product which we propose to tax, any further than to justify fully those features of the bill which have been, from some quarters, so vigorously denounced on account of their inquisitorial features.

For my part, Mr. Speaker, while I appreciate and regret the inconvenience and the evils necessarily incident to this character of laws I still realize that there is a certain character of legislation that can not well be dispensed with, and yet from which this disagreeable feature can not be eliminated. I confess that, while I would, were it practicable, rid all our laws of this objectionable incident to their execution, still, sir, I am unwilling to change, as against the interest of the whole people, the substance of these laws—I mean, of course, the "internal-revenue laws"—in order to dispose of the disagreeable form of the same. I believe that since the Government must have revenue it is proper and right that a liberal part of such revenue should be collected from whisky, tobacco, and oleomargarine, if you will, instead of relieving those articles from taxation at the expense of the actual necessaries of life.

It has always appeared to me, Mr. Speaker, that the intensity of a man's objection to the form of these laws was materially affected by the effect of the substance of such laws upon his individual or representative interest. As a rule I think we find the great objection to and pressure in favor of the repeal of the internal-revenue laws comes from these two sources—first, the man who now pays the tax which said laws impose; and the other fellow, who wants the Government to remit the tax thus imposed, so that it may become necessary to raise the tariff so as to more fully protect something already protected.

Gentlemen talk about repealing the internal-revenue laws and taking the tax off of whisky and tobacco, and offer amendments to this bill looking to that result. I respectfully ask the advocates of such views how they can justify a proposition which necessitates either one or the other of two results—either that we neglect to provide the means to meet the obligations of the Government, or that the $115,000,000 now collected from these sources shall be put as an additional burden on the food and clothing and other necessaries of life already taxed by our present tariff at the rate of 47 per cent.

But, Mr. Speaker, I have no intention of discussing further the merits of or necessity for the continuance of our present internal-revenue system, or going further into the consideration, collaterally, of that subject, but simply desire to say that if one-half be true that is told of the impurity of the compounds we now seek to tax we need not scruple at imposing upon their manufacture the most vigorous exactions which the application of this system may render necessary with reference to watching the processes and results of such industry in all their various stages.

Reaffirming my dissent from the doctrine that it is within the scope of the legitimate exercise of the taxing powers of Congress to purposely and needlessly cripple or destroy any industry not prohibited by law, State or national, in order that some other industry may be benefited; and yet, defending the position that it is the necessary result of the imposition of such taxes that some incidental protection will ensue, and that such result can not be and in this case should not be avoided, I am frank to say that this bill, being to my mind free from objection on constitutional grounds and commending itself to my judgment on grounds of public policy, is all the more acceptable to me because it may yield indirectly a benefit to the important but depressed dairy industry of the country.

In that industry about six millions of people are directly engaged, and almost the whole thirty millions of our agricultural population are more or less interested. That by reason of the manufacture and sale of imitations of butter, which are almost invariably fraudulently sold as butter, the dairy interests have been most unfavorably and unjustly affected, there is no contention or doubt; and I think it is the duty of Congress, as a measure of public conscience and right between the promoters of this original and honest industry and that of the imitators of its wholesome products, who are amassing fortunes at the expense of said industry by counterfeiting its products, and thus displacing the same in the markets of the country, to so shape legislation as to secure to the one what it has been despoiled of by the other, and make the inferior article sell under its own true name and character and to pay all the expense necessary to the accomplishment of that result.

Evidence is before us to show that, as the result of this fraudulent interference with the business of the dairy by the manufacturers of these imitations of butter, the export demand for our dairy products has been almost destroyed, while through the apprehension of would-be consumers at home that genuine butter can not be had in the general market, the domestic demand has also and correspondingly been crippled; that the dairymen are no longer able to profitably keep their herds; that in Chicago alone, in the last year, 300,000 milch cows were sent to the slaughter; and that within the last few years the value of the milch stock in this country has by these causes been reduced $150,000,000.

Let it be understood, Mr. Speaker, that the class of our people to whom these cows belong is now and always has been burdened by the exactions of high-tariff laws, which in the last year averaged 47 per cent. on every dutiable object which they bought, in order that more favored classes might prosper.

While the burden inflicted by the wrongful and fraudulent manufacture and sale of these imitations of butter oppresses six or seven millions of our people directly, and indirectly affects nearly the entire thirty millions living by agriculture, the millions of dollars profit derived from these frauds upon an honest and important industry accrue to a small number of rich manufacturers whose very processes of counterfeiting are covered and protected by letters patent issued by this Government. The statistics bearing on this subject show that not over three hundred and fifty manufacturers, big and little, are engaged in the oleomargarine business; and that less than one hundred firms produced over seven-eighths of the entire product. Further, that some fifty-eight different patents have been issued by this Government licensing the patentees to counterfeit the genuine dairy product of the country, but effectually protecting the respective counterfeits thus authorized to be produced against interference from the products of other ingenious counterfeiters in the same line. The counterfeits are thus protected by the strong arm of the law; but the genuine alone is lawful prey for the cupidity and frequent dishonesty of those who see fit to engage in counterfeiting it. Is it to be told to the millions of agriculturists who are thus being wronged with the sanction, and under the license of this Government, that Congress can give no redress against wrongs being perpetrated under laws of its enactment? Let me say that no such answer will be or ought to be received by them.

In the name of these people, and as a measure of justice to them, I demand that we now place upon these nondescript products, by the fraudulent manufacture and sale of which so great loss has been inflicted on an honest and once prosperous industry, that rate of tax which, in the judgment of Congress it can and ought to bear, in order that the proper burdens of the Government may be more equitably distributed among the different classes of our people, and that the public may be protected against the fraudulent manufacture and sale of products deleterious to health, under the good name and character of the honest product which they simulate to destroy.

These millionaire manufacturers of this counterfeit product seek to invoke in their interest the name of the poor people of the country, claiming that the imitation stuff, sold in the name of genuine butter, is sold cheaper than the genuine, and that therefore it is in the interest of the poor that its unrestricted and untaxed manufacture and sale be permitted to continue. This claim is false and dishonest; for ninety-nine times out of a hundred this counterfeit is sold as butter and at the price of butter, or else it could not be sold at all.

The poorer classes in America buy such food as they may be able to afford, but it is not their habit or desire to buy unwholesome food at any price; hence, with the prejudice which obtains against these counterfeit products with all classes of our people, there is not at present a willing market for them with any class. But, Mr. Speaker, if anything can fit these products for competition with the genuine products of the dairy and make them acceptable to our people as wholesome food it will be the confidence inspired by the enforced attention to and observance of such regulations governing their manufacture as it is the purpose of this bill to compel, and as will by said measure be made possible.

The friends of oleomargarine on this floor contend that said product

is honestly made and sold according to character, and not as butter. If so, the provisions of this bill do not affect it, for it is aimed at the dishonest manufacture and sale only; and if their statement be true the manufacturers of this product will be benefited instead of injured, because the advantage resulting from the possession of the Government's certificate of the purity of the goods offered for sale will more than compensate for the tax required by the Government in the form of license for its manufacture or sale.

In conclusion, Mr. Speaker, I would say Congress has full and unquestioned power to enact this legislation, and it is not only justified under the conditions existing, but is demanded by a sense of duty to the public, whose trusted servants we are.

Rivers and Harbors.

SPEECH

OF

HON. RICHARD P. BLAND,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, April 15, 1886,

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. BLAND said:

Mr. SPEAKER: The improvement of the rivers of this country as a means of cheap transportation is of vital importance to the producers of all exportable products. In this lies the only, or at least the most effective, check on the exactions of railroads. The competition afforded by our rivers with the railroads of the country should be encouraged. For our Western country the improvement of the Missouri and Mississippi and their tributaries is of the utmost importance.

It has been proclaimed for us by the protectionists that a policy of high tariff would give to our farmers a home market for their breadstuffs, meats, and other commodities, but to-day we find that this protective system has broken down, our home market ruined. The protective system has been used to stimulate industries of that kind, and the operators of this system, while professing to be the friends of the laboring man, have cut his wages to the lowest point; and to enable them to do this they have imported from other countries contract labor till to-day this country is filled with unemployed men.

These men have been induced to come here under promises of better wages than they were receiving in the countries of the Old World, but as soon as the products of the factories became in excess of our demand these imported laborers are thrown out of employment to wait in idleness till the consumption of the factory products of the protectionist is accomplished. They are thus thrown out of employment in order that the employer may shut down his mill or factory till the surplus is disposed of. The laborer is thus compelled to bear all the loss. These facts and others I will allude to have had the effect of not only breaking down our home market but of ruining our foreign markets as well.

The difficulties in the way of our agriculturists are many; but I shall state the most important. About sixteen years ago the Suez Canal was completed, thus bringing Europe and India near together, and making it entirely feasible for Europe to get her supplies of wheat and corn from India. A short time since England purchased from the Khedive of Egypt a controlling interest in the canal at a cost of near $25,000,000, so that to-day England has quick and easy communication with this vast Empire of India. India is under the protectorate of England. India has a population of 250,000,000 of people, embracing much of the greater part of southeastern Asia, and having an area of a million and a half of square miles. Enlarged now by the annexation of Burmah, its area is half as great as the whole of the United States, from the Atlantic to the Pacific Ocean and from Mexico to British America. The dominion of Great Britain extends over three-fourths of all India. The staple food of this people is millet. They sell all the rice and wheat for which a market is found. The cost of living is but a trifle. India is on a silver basis, so that everywhere in India silver has maintained its true value and purchasing power.

What is the consequence of this state of facts? The answer is that the Suez Canal has brought India and England near together as respects cheap transportation. Again, the silver we produce here and prohibit from going to our mints and into circulation at home is bought up at a discount of more than 20 cents on the dollar by the English traders, then sent to India, and with it cheap Hindoo laborers are employed in raising wheat, corn, and cotton for English consumption; and more, with this cheap silver England is employing this cheap labor to build her railroad system throughout India, and thus preparing for still further competition with us in producing grain and bringing it to European markets. I can not better illustrate this point than to quote from a memorial to Congress giving facts and figures upon this subject, as follows:

THE WHEAT QUESTION.

The average crop in India is from 10 to 11 bushels per acre, against 15 to 16 bushels in the United States; but India is capable of an immense increase in yield under careful cultivation, and where fertilizers have been applied its yield has increased to 40 bushels per acre. Great as is already the present production of wheat in India it is steadily increasing, its development being limited only by the lack of transportation to the seaboard, an obstacle that is steadily disappearing in the rapid construction of the great railroad and canal system under direct patronage of Great Britain.

It was not until 1874 that the first shipment of wheat from India to Europe was made, and was then only 95,000 bushels; in 1875 it extended to 1,500,000 bushels; in 1876 it exceeded 4,500,000 bushels; in 1877 and part of 1878 over 12,000,000 bushels. During the famine of 1878-'79 the exports fell to about 2,500,000 bushels, but reached in 1880 over 15,000,000 bushels; in 1881 rapidly increased to 38,500,000 bushels; in 1882 the exact amount was 36,435,580 bushels; in 1883 the crop slightly failed, and only 26,021,875 bushels were exported; but in 1884 the crops rose once more to 38,502,285 bushels, while in 1885, up to November, over 42,500,000 bushels were exported, and for over 3,400,000 bushels freight-room had been engaged for Europe.

To obtain such results the English Government has widely and gratuitously distributed among the native ryots, or farmers, for the purpose of encouraging them in the use of improved machinery, a number of plows, constructed with a special design and of peculiar style to meet the requirements of their soil. In addition, large quantities of all kinds of plows and other implements, adapted with studious care to the wants of Indian agriculture, have been sent out by the English Government to be sold at a mere nominal price.

Great care has been exercised to select seeds from foreign countries—mostly American—of the best varieties and suitable for the soil of India.

PRICE OF LABOR AND LIVING CONTRASTED.

The Indian ryot, or farmer, lives in a bamboo hut; cost about 20 rupees, or $9.60; his utensils, a few earthenware pots, value 2 or 3 rupees, or 96 cents to $1.44. His meals consist of half an anna's (1½ cents) worth of rice or millet seed. His farming outfit consists of rude plow, a primitive wooden cart constructed with his own hands, a grubbing-hoe, a pair of bullocks, a few cows or sheep. He cuts his grain with a sickle, treads it out with his bullocks, winnows it in the air, and carries it to market on his back. If he employs a farm hand it is at about 2 annas (6 cents) per day. These circumstances tend toward an equalization of the terms of competition between the Indian and American farmers in laying down wheat in Europe, but notwithstanding the low wages of India and its increased railroad facilities, it would still be impossible for the Indian ryot to sell wheat as cheaply in Liverpool as the American farmer were it not for the divergence caused by legislation in the relative values of gold and silver.

OUR HEAVY LOSSES.

The exportation of wheat from India during 1884 and the eleven months of 1885 amounted to over 84,400,000 bushels, representing a loss of over $80,000,000 to our farmers and of over 3,500,000 tons of freight to our "granger" railroads, and of over $17,000,000 on their earnings.

It is needless to point out the manifold ways in which such a subtraction from one principal article of our export trade has made itself felt in all employments, and to the detriment of all branches of business.

But this is not all. On the 22d of October last, Indian wheat sold in Liverpool at 89 cents per bushel; while quality for quality compared, brought in Chicago on that day 88¼ cents. The cost of transportation, partly by water, of each bushel of wheat from Chicago to New York is a little over 6 cents; the present lay-down cost of wheat from New York to Liverpool is:

	Cents.
Free on board and insurance per bushel	1.00
Freight to Liverpool	6.82
Cost of discharging in Liverpool without commission	4.50
Total per bushel	12.32

Add to it 6¼ cents from Chicago to New York and the cost of transportation, less commission, is just 18½ cents per bushel, which added to 88¼ cost in Chicago brings our American wheat in Liverpool first cost equal to $1.07 per bushel, or 18 cents per bushel more than quality for quality Indian wheat is selling in Liverpool.

This state of affairs is the consequence of the extremely low price for silver bullion which is more or less controlled in the British market. At the present price of silver bullion in London, forty-seven pence per ounce, the exchange on India is one shilling and sixpence per rupee, or 33⅓ per cent. in favor of the British importer of India's wheat, who with one thousand pounds sterling purchases 13,333 rupees instead of 10,000 rupees, which is all he could have purchased for that number of pounds in 1873, and yet the purchasing power in India of the rupee is a little greater now than it was in 1873.

Add, therefore, to the ruling rate of 89 cents per bushel of wheat in Liverpool the 33⅓ per cent., and the price at once advances to $1.19 per bushel. This rate of $1.19 in Liverpool, less freight and other charges from New York to Liverpool, would leave the market price of wheat in New York $1.06¾ per bushel, in place of 90½ cents, the now ruling rate; and in Chicago it would be equal to $1 in place of 85 cents per bushel as it is now. It is evident from these figures that the restoration of silver to its old place by free coinage would at once enable the American farmer to put Indian wheat out of the European markets.

This price of 89 cents per bushel in Liverpool not only prevents us from exporting our wheat, but actually regulates the market value of it to the detriment of our farmers, who lose from 20 to 25 cents per bushel on their wheat in order to enable them to meet the now ruling low market price in Liverpool. These 20 to 25 cents on our present crop of 1885 of 352,000,000 bushels of wheat mean a loss to the American farmers of from $70,000,000 to $88,000,000.

RAPID DECLINE IN OUR WHEAT EXPORTS.

Let us review the rapid decline in our wheat exports for the past few years.

In 1883 we exported 106,385,828 bushels, for which we received $119,879,341, equal to $1.12⅝ per bushel.

In 1884 our exports declined over 30 per cent., and we exported only 70,349,012 bushels, for which we received $75,026,581 or 1.06\frac{65}{100}$ per bushel.

In 1885 we exported some 84,500,000 bushels of wheat, for which we received only $72,933,097, or 86.32 cents per bushel, while the year previous we got over $75,026,000 for only 70,349,012 bushels, a loss of over 20 cents on each bushel.

Not only has the American farmer been a direct loser by this reduction of the demand and price abroad for his wheat product, but he has indirectly suffered in still greater degree by the resulting depreciation of his whole crop, whether consumed at home or sent abroad; and on the crop of 1885 alone, so far, he has submitted to a loss of over $70,400,000 as compared with last year's price.

This one fact is therefore proved beyond cavil or dispute, and should always be borne in mind, that to destroy the profits of the American wheat-grower it is not necessary that India should raise a crop which will meet the whole demand of Europe; it has but to furnish such a portion of the amount as will prevent an advance in the price to a point which will repay the cost of production by our own farmers.

How important a part the wheat crop of this country constitutes of the total

of our exports is shown by the fact that since 1873 to 1883 about 24.85 per cent. of the whole value of our agricultural exports was made up by wheat and flour; yet the latest official statistics for the month of December, 1885, as compared with 1884, show a decline which must create an uneasiness to all who have America's welfare at heart.

Exports of wheat and flour.

December, 1884:
Wheat, bushels..... 8,261,153
December, 1885:
Wheat, bushels..... 4,211,850

A decline of nearly 50 per cent.

December, 1884:
Flour, barrels..... 1,016,617
December, 1885:
Flour, barrels..... 757,829

A decline of over 25 per cent., ending with December, 1885, as compared with 1884 and 1883, as shown by the latest official custom-house returns.

Total value of exports of breadstuffs.

July to December, 1883..... $88,014,626
July to December, 1884..... 79,700,507
July to December, 1885..... 52,998,732

But the contrasts of the average yearly exports of wheat and flour exhibit still greater and more deplorable deficits.

The exports of wheat and flour from 1873 to 1883 were:

Articles.	Exports.	Value.
Wheat.....bushels...	919,073,737	$1,095,174,727
Yearly average.....do.....	91,907,373	109,517,472
Flour.....barrels...	54,001,528	325,308,458
Yearly average.....do.....	5,400,152	32,530,845

The accumulation of stock on hand January 16, 1886, in the United States as compared with corresponding period of 1885, 1884, and 1883, shows the marked decline in our exports of wheat.

Stock on hand or visible supply:

	Bushels.
January 15, 1883	21,909,118
January 15, 1884	33,948,813
January 16, 1885	42,575,703
January 16, 1886	57,108,226

While our exports are gradually decreasing our stocks on hand have rapidly increased from 21,909,118 bushels in 1883 to 57,108,226 in 1886.

In order to comprehend more fully the rapid decline in the exports of wheat from this country, the official returns of the Bureau of Statistics give the following figures:

	Bushels.
Exports of wheat from all ports for December, 1884	8,400,000
Exports of wheat from all ports for December, 1885	3,773,153
Decrease	4,626,847
Twelve months ending with December 31, 1884	81,628,478
Twelve months ending with December 31, 1885	53,025,918
Decrease	28,602,560

If we consider that from 1873 to 1883 inclusive we exported 919,720,637 bushels, or 91,972,063 bushels on the average for each year, the decline from 91,972,063 bushels down to 53,025,918 bushels shows a decrease of 38,946,145 bushels, or a decline of over 57½ per cent. Compared with the exports of 1879, when 122,775,751 bushels were shipped, and in 1880 153,250,685 bushels, and in 1881 150,555,450 busnels, as well as 104,030,584 bushels in 1883, the rapid decline is startling.

The half-yearly returns of shipment of wheat from San Francisco from July 1 to December 31, 1885, compared with 1884, are equally as disturbing:

	Bushels.
July 1 to December 31, 1884	12,447,000
July 1 to December 31, 1885	5,850,000
Decrease, 1885	6,597,000

A loss of over 50 per cent.

The imports of wheat into Great Britain for the four months August (harvest time), September, October, and November, 1885, when compared with corresponding period of 1884 are equally important and exhibit the gradual supremacy India's wheat is gaining in that country:

	Bushels.
Wheat from United States:	
1884	11,973,160
1885	4,494,879
Decrease	7,478,281
Wheat from India:	
1884	6,833,195
1885	8,867,427
Increase	2,034,232

While the exports of wheat to Great Britain from the United States have decreased by over 7,000,000 bushels, those from India to Great Britain have not only held their own but have increased by over 2,000,000 bushels.

The contrast between the rapid increase in the exportation of wheat from India and the equally rapid decline in the exportation of wheat from the United States is significant and startling The export of wheat from India in 1879 amounted to 1,972,544 bushels, but has rapidly increased year by year until in 1884 it amounted to 39,202,636 bushels; our own exports have, when compared with corresponding period of 1879, when we exported 122,353,936 bushels, fallen in 1884 to 75,026,678 bushels, a decrease most appalling as well as mortifying.

The decrease in the exportation of wheat from New Orleans exhibits the following: 1880-'81, 6,523,747 bushels, while the year following it fell to 2,474,581 bushels, gradually reaching for the fiscal year September 1, 1884-'85, down to 784,195 bushels; while so far this fiscal year, of which five months have passed, not one bushel has been exported from New Orleans.

CORN QUESTION.

Indian corn, equal in every particular to our own of the same appellation, though of comparatively recent introduction, has increased in favor most rapidly, and there were raised in 1882 in India over 75,000,000 bushels. The first cargo of India's corn was shipped to Europe in January, 1883. In 1883 the crop was over 120,000,000 bushels; in 1884 over 160,000,000 bushels. It would indeed be one of the curiosities of international trade if from this small beginning in 1882 there should grow, as in the case of wheat, an export trade from India to Europe of equally as great proportions. It is a positive fact that in the central provinces of India alone enough Indian corn can be raised to supply the wants of Europe, to which we have shipped during the year (calendar) of 1885 62,525,742 bushels, and for which we received $33,090,350.

Here we are confronted with the startling facts that by the demonetization of our own silver and sending it to London where it is bought up at a discount and taken to India and there used in the employment of Hindoo laborers, the export of wheat from that country to Europe has increased steadily, so that while in 1874 only 95,000 bushels of wheat were exported from India, the enormous amount of over 42,000,000 were exported last year. The further fact appears that our exports of wheat have declined in proportion to this increase from India. It also appears that India can lay down wheat in Chicago and New York about as cheaply as can our Western farmers. We are not only losing our market abroad, but are threatened with India competition at home. The same danger is shown as to our corn.

What is the remedy? The remedy to my mind is plain. Let us coin all our silver at home to stimulate our own productions of the farm. Give us cheap water transportation down the Missouri and the Mississippi Rivers so we can compete with the water transportation of the Suez Canal. I know of no other means of preventing absolute poverty and distress that must come upon our Western farmers, who are now toiling in poverty in the vain effort to compete with this cheap Hindoo labor paid for by the products of our own silver mines.

I know, Mr. Speaker, that I am often accused, here and elsewhere, of giving a silver lining to all my discussions on this floor, but I shall not heed these taunts and jeers so long as I have the honor to represent a constituency who live by the sweat of their brow and not by the cutting of coupons. More money and cheaper transportation shall be my watchword and battle-cry.

Having said this much in a general view of the subject of water transportation, I desire to call attention to the improvement of a river that flows through a part of the district I have the honor to represent.

THE OSAGE RIVER.

I wish to present a few facts in regard to this stream for the purpose of having a survey of it made with a view of improving it by movable locks and dams. Recognizing the fact that Congress will make no appropriation for such purpose till such a survey is made and a favorable report made thereon, I desire to read from previous reports of the Army engineers upon this subject so as to bring the whole matter to the attention of Congress in order that it may be properly understood. For while these reports were against the improvement of this river by locks and dams, I want to say that the adverse reports were based not upon the feasibility of the plan, but upon the supposed cost as compared with the commerce to be benefited. That while the river is stated to be susceptible of such improvements, yet the officers in charge based their report declining to recommend it more upon the fact that the commerce of the river did not justify the outlay of money than anything else.

The first report was made in 1875, from which I make the following extract (Appendix L, page 23):

Before the advent of railroads, the Osage River, at high and mean stages of water, was the main channel of supplies for the Indian country. It does not at present constitute a military line of any kind; and, if improved, would only be tributary to the State of Missouri, in which it would be alone navigable. Besides, a bar exists at the debouchment of the river into the Missouri, the depth upon which fluctuates with the stage of water in either stream. When the Missouri is at its highest stage, it affects the level of the water in the Osage as far up as Elizabeth, a distance of 40 miles. During low water boats drawing 2 feet 6 inches are frequently denied passage over the bar referred to for weeks. The ruling depth in the Missouri River during the low-water season seldom exceeds 3 feet, so that, unless a ruling depth of 4 feet can be secured to this river, the Osage, if improved to give a 4-foot navigation, would necessarily be tributary, for a portion of each year, only to the railroads crossing it.

The water-power developed by the dams would be considerable.

As in the case of most slack-water improvements, questions of land-damage of greater or less extent may be expected, which would also increase the cost of the improvement.

The results may, then, be summed up as follows:

1. The Osage River is not susceptible of permanent or even satisfactory temporary improvement for navigation at low stages of water.

2. It is susceptible of improvement to the extent of obtaining a ruling depth of 4 feet at all times, by means of locks and dams, twenty-two in number if of 8 feet lift, and twenty-seven if of 6½ feet; the cost of the former estimated at $2,857,330.30; of the latter, at $3,090,825.

3. If a ruling depth of 4 feet is obtained in the Osage by means of locks and dams, the same would be required over the bar at the debouchment of the river and as far down the Missouri as its junction with the Mississippi, to utilize the improvement at all stages of water—problems not yet solved.

4. The Osage, since the introduction of railroads running parallel with it, and at no very great distance, is no longer a necessary link in the great current of trade westward.

5. Its navigable portion would be entirely within the State of Missouri, and though its improvement would doubtless be of value in developing the rich mineral and agricultural resources of the region through which the river passes, it can not be regarded as one of national importance and therefore requiring Government aid.

6. Should the improvement be made, the advantages resulting would be far from commensurate with the great cost, say $3,000,000.

For these several reasons I do not feel justified in recommending the project and therefore do not advise that any further appropriation by Congress should be made for the work.

The maps and plans are in process of completion, and will be forwarded as soon as finished.

The collection-district in which the work is located is New Orleans.

The nearest port of entry is that of Saint Louis.

I can not conclude this report without expressing my obligations to Mr. Gor-

don and his assistants for the very satisfactory manner in which they have performed their duties.

All of which is respectfully submitted.

J. H. SIMPSON,
Colonel of Engineers, Bvt. Brig. General, United States Army.

Brig. General A. A. HUMPHREYS,
Chief of Engineers, United States Army.

In 1874 I procured an order from Congress to have another survey made with a view of improvement of the Osage by locks or dams. From the report of Major Ernst I quote as follows as to the last survey. (Appendix 10, page 1657, Engineer's Report, 1884):

X 5.—Preliminary examination of Osage River Missouri, from mouth to Linn Creek, with a view to movable locks and dams.

UNITED STATES ENGINEER OFFICE,
Saint Louis Mo., August 22, 1884.

GENERAL: The river and harbor act of July 5, 1884, provides for the examination or survey of "Osage River, Missouri, from mouth to Linn Creek, with a view to movable locks and dams," upon the condition that after a preliminary examination it shall be deemed "worthy of improvement."

By your letter of July 31, 1884, I am directed to report as to whether, in my opinion, the stream is "worthy of improvement." From the wording of the law and from the fact that the Osage has already been the subject of some minor improvements, I understand the question now to be, is it worthy of improvement by movable dams? That is, is it worthy at this time of a radical and expensive improvement, which will cost several millions of dollars?

The Osage empties into the Missouri River at a point about 140 miles from its mouth. To improve the navigable capacity of the Osage beyond that of the Missouri would be almost, if not quite, useless. The navigable depth of the Missouri at low stage is about 3 feet. An improvement of the Missouri River has been projected, but the amount of time which must elapse before that improvement shall be completed is uncertain. It will probably be many years. But whether many or few it would seem proper to defer the inauguration of any scheme the usefulness of which is very largely dependent upon the safe navigation of the Missouri until such safety of navigation is an accomplished fact.

The distance from Linn Creek to the mouth of the Osage is about 107 miles. In this distance it passes through or touches five counties, Camden, Morgan, Miller, Cole, and Osage, the last two lying also on the Missouri River. Some portions of these counties will not be affected by the improvement of the Osage, but as it is difficult to say how much, the statistics of the entire counties will be used in determining the interests to be benefited. The total area of these counties is about 2,800 square miles. By the census of 1880 (see Compendium of the Tenth Census, pages 39, 40, 1553-1555, 788-792, and 738) their total population was 54,542; their total assessed valuation, real and personal, was $9,093,013; their total taxation, State, county, and town, was $175,222; and their total production of cereals, including wheat, corn, oats, rye, barley, and buckwheat, was about 5,000,000 bushels, the total production of the State of Missouri being about 247,000,000 bushels. The geology of these counties is known only in a vague way. They contain deposits of iron, lead, and coal, but the size of the deposits is unknown; those of iron are supposed to be large, and those of coal to be small There are at present no extensive mining interests.

The total value of the commerce of the Osage River during the fiscal year ending June 30, 1882, was $950,778, of which $565,405 was floated in rafts (see Annual Report Chief of Engineers, 1882, page 1660), and for the year ending June 30, 1883, was $1,043,052, of which $215,790 was floated in rafts (see Annual Report Chief of Engineers, 1883, page 1295). Deducting the rafting interest, which would not be benefited, but which would rather be injured by a slack-water improvement, there remains a trade of $385,373 for 1882 and $827,262 for 1883. As near as can be computed from the data at hand the weight carried in 1882 was 9,416.5 tons, and in 1883 21,967.5 tons. The average charge for freight in 1881 was $2 per ton, and in 1882 $4 per ton. Taking the higher rate, the total freight charges would not exceed $38,000 in 1882 and $88,000 in 1883, or an average of $63,000 for each of the two years.

From these facts it appears that there are no interests at this time, either upon the Osage River itself or upon its banks, which will justify a heavy expenditure in the improvement of the river. There are undeveloped resources which such an improvement would aid to develop, but they are uncertain in amount. The most important results to be expected from a radical improvement can not be attained until after the improvement of the Missouri River. I am accordingly of the opinion that the Osage River from its mouth to Linn Creek is not at this time worthy of improvement by movable dams.

Very respectfully, your obedient servant,

O. H. ERNST, *Major of Engineers.*

Brig. Gen. JOHN NEWTON,
Chief of Engineers, U. S. A.

Both of these reports being against the improvement I have procured another order for such survey to be put in the bill now pending. The people interested have organized and appointed their committees at a recent convention at Jefferson City, and no doubt these committees will lay before the engineer in charge such facts and statistics as will induce a more favorable report. The Osage is an important stream. The country through which it passes is without railroad facilities and hence the great necessity to them of this means of transportation. With a more favorable report from the engineer in charge it is hoped that Congress will enter upon this work.

Mr. Speaker, I can not close these hasty remarks without again calling attention to the fact that in my humble judgment the rivers of our country must be made the means of affording competition with railroad transportation, thereby enabling the producers of the country to get their products to the markets at such rates as to afford them at least a living profit for their labor and outlay of capital. The amount, $7,500, given to the Gasconade, though not as much as I have asked, it is hoped will be sufficient to keep it in a condition for navigation.

Our Eastern States being much older than our new Western country have for many years past had the benefit of Government aid in improving their rivers and harbors. The Government as a rule has been quite beneficent to them. Their rivers have been the beneficiaries of Government aid till they are not so much in need of it now as are our Western streams. It is to be hoped that no sectional or jealous policy will be pursued by our Eastern brethren in respect to the just demands of the people of the West for means of cheap transportation. The bill also contains an appropriation of $10,000 for continuing the improvement of the Osage under present plan.

The Ouachita.

SPEECH
OF
HON. J. FLOYD KING,
OF LOUISIANA,
IN THE HOUSE OF REPRESENTATIVES,

Friday, April 30, 1886,

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. KING said:

Mr. CHAIRMAN: As there has been so much said on the floor of this House about extravagant and useless expenditure on the improvement of insignificant rivers and unimprovable streams, I wish to say a few words on the subject of the rivers in my district, their claims upon us as Representatives, and the amounts expended upon them since I came to Congress. There are eight navigable streams for which Congressional aid has been asked in that portion of Northern Louisiana which I have the honor to represent; and of these, the most important (as well as one of the most important in Louisiana) is the Ouachita.

This river rises in the Ouachita Mountains, in Polk County, Arkansas, and following an irregular course flows in a general southeasterly direction through that State and Louisiana until it is joined by the Tensas and Little Rivers at Trinity. These three form the Black River, which runs southward and enters the Red River near its mouth. Its entire navigable length is 540 miles; from its junction with the Tensas to the Red River it is 75 miles; and thence to the Mississippi it is 25 miles. Flourishing villages and important towns are on its banks, such as Ouachita City, Monroe, West Monroe, Columbia, Enterprise, Harrisonburg, Trinity, Troyville, and many others. The country through which it flows is rich, fertile, and occupied by a generous, thrifty, industrious and hard-working population, its fields smiling with corn and cotton, and its banks abounding with forests of the most valuable timber. In many parishes through which it flows recent Government explorations, undertaken through my urgency, have developed the existence of large deposits of iron and other valuable minerals, destined at no distant day to add greatly to the wealth of the State and country. This is the river, Mr. Chairman, for the improvement of which we ask the sum of $17,500; of which $7,500 is for repairs to the disabled snag-boat, leaving but $10,000 for actual improvement works. For the improvement of this river I have repeatedly introduced bills, each of which exceeded in amount $100,000. Why the engineers have submitted such small estimates for the improvement of this important stream I can not divine.

The first examination of this river by the United States Government with a view to its improvement was made in 1870; and a survey of so much of it as extends between Trinity, La., and Camden, Ark., followed in 1871 and 1872 with the result that a project was formed for increasing its navigable depth between those two points by means of locks; so that a depth of not less than 4 feet could be had at the lowest stages of the river. Though the result aimed at would doubtless have been productive of much good, the cost was considered too great for the expected resultant benefits—the estimates being no less than for $1,163,083—so it was abandoned by the United States engineers and a new plan formed, which has been prosecuted up to the present time. By this plan improvements are confined to the removal of snags, wrecks, leaning timber, and other obstructions, and the deepening of shoal places. For this purpose, since I have sat in this House there has been appropriated $79,000, and in the bill now before the committee we ask for $17,500 more.

I have, to the best of my ability, strongly advocated from time to time the appropriation of the above sums and of much larger ones, because I knew the value of this river and its tributaries to the commerce of the country through which they flow. I find the Chief of Engineers and his assistants stating annually in their official reports that a much greater sum could be profitably expended than has at any time been appropriated. I presume no one here will doubt that the Chief of Engineers speaks advisedly when he uses the words "profitably expended."

The reasons for my action and that of those who, with me, have advocated this expenditure I can give in a few words:

1. The Ouachita district is the "collection district" of Arkansas and the third in importance of the collection districts of Louisiana. It is navigable as far up as Camden, Ark., from November to June inclusive, and to Monroe, La., according to the report of the Chief of Engineers, all the year round, by steamers of from 500 to 900 tons burden. Of these there were, last year, twelve plying regularly on the river and six on the river and its tributaries.

2. The commerce of the Ouachita in 1876, previous to my coming to Congress, consisted, as it does now, in the transportation down-stream to New Orleans and other ports of cotton, cotton-seed, oak staves, hides, cattle, hogs, &c., and an up-river or return transportation of provisions, clothing, and supplies of all sorts. In that year (1876) the down freight

amounted to $2,150,000, and the return freight to $1,500,000. In 1878 the down freight besides cotton amounted to $11,604,512; cotton $6,566,200; and the up-river or return freight to $4,596,340. In the fiscal year 1882–'83 the return freight carried amounted alone to $8,596,160. During the fiscal year 1884–'85 (the latest of which we have official record), the twelve steamers plying regularly on the river carried down 108,600 bales of cotton, 390,000 sacks of cotton-seed, 715,500 oak staves, 5,785 head of cattle, 5,000 cords of wood, and 175,000 logs of valuable timber; and brought back cargoes in return on which the estimated freight (for I could not get the exact figures) was not less than $2,000,000. When to this commerce is added that of its tributaries—the Bartholomew, the Bœuf, the Tensas, the Macon, and the D'Arbonne—which would be valueless without it—we must increase the amount of business traffic on the waters of the Ouachita by the annual sum of $6,000,000.

When, then, Mr. Chairman, so large an amount of traffic exists on a stream as I have here shown to be the case on the Ouachita, and when, as we certainly know, this traffic will grow larger year by year, we certainly ought not to grudge the small amount which yields so large a return.

Mr. Chairman, I am, and have always been, in favor of these works being done by local contractors. The law contemplates their being so awarded; and I am confident there are men to be found in these localities competent, honest, and in every way worthy to be intrusted under properly guarded contracts with the performance of such work.

What is the inevitable result of clearing the river of obstructions and deepening the channel? The goods will all go by water instead of by rail. Why? Because it costs the farmer $5.80 a bale to send his cotton by rail, including wagon-hauling charges of 75 cents a hundred pounds on each bale, and it costs him only from $1 to $1.50 per bale to send it by water. Here is a difference of $4.30 in favor of the water-route, or $4,300 in every thousand bales of cotton alone. Suppose the planters on the Ouachita annually compelled by the bad navigation of the river to send their tens of thonsands of bales by land with a dead loss in freight charges of $4,300 on every 1,000 bales; would not that consideration be—or perhaps, Mr. Chairman, in deference to the gentleman from Iowa [Mr. HEPBURN] and the gentleman from Maine [Mr. REED] I ought to say, *should* it not be sufficient to dispel all opposition to this item of the appropriation?

Another consideration, Mr. Chairman. We must not forget that increased facilities and safety in navigation mean diminished charges for freight and insurance. We must not forget that, as the amount of goods to be transported increases in volume and value, competition will step in and beat down freight charges still lower; and the freight-ridden farmer may at length confidently look forward to a bright future when cheap transportation will be the beneficent goddess that will bring competence to his door.

Thus, Mr. Chairman, I have given for myself and those who, like me, have recommended and advocated and urged these appropriations, the "reasons for the faith that is in us." If gentlemen from the North and East can clear their skirts as readily from some of the river and harbor burs that are sticking to them we shall soon hear little more of the outcry against this much-maligned bill from the self-styled "watch-dogs of the Treasury."

In conclusion, I wish to add that further on in this bill I have succeeded in getting inserted a provision for a survey of this river with a view to the establishment of permanent slack-water navigation throughout its entire navigable length; and when the United States engineers have reported upon the value and necessity of this improvement I shall ask the House to give the question its favorable consideration and to grant the appropriation necessary to carry it to a successful issue.

The Administration and the Civil-Service Law.

SPEECH

OF

HON. WILLIAM M. SPRINGER,

OF ILLINOIS.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, June 9, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 8974) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1887, and for other purposes—

Mr. SPRINGER said:

Mr. CHAIRMAN: I desire the attention of the House for the purpose of replying to some remarks made by my colleague from Illinois, a member of the Committee on Appropriations [Mr. CANNON]. That gentleman stated yesterday that General Black, Commissioner of Pensions, had violated the civil-service law in the appointment of special examiners in the Pension Office. Am I correct in saying that was the gentleman's statement? The RECORD this morning did not contain his remarks.

Mr. CANNON. What I did state was based on what the papers had reported touching the investigation before the Senate committee, namely, that General Black had stated that out of seventy-five appointments of special examiners seventy-one were Democrats and there were four whose politics he did not know. I said if that was the case the spirit of the civil-service law in my opinion had been violated.

Mr. SPRINGER. I understood the gentleman to say that the law had been persistently violated and disregarded by the Commissioner of Pensions. I also understood the gentleman from Maryland [Mr. McCOMAS] to state that the object of the proposed legislation in this bill was to make a "clean sweep," by which I presume he means that this Democratic administration is making arrangements to turn all of the Republicans out of the classified and other service and put Democrats in.

Now, in reference to the remark made by my colleague, the gentleman from Illinois [Mr. CANNON], I propose to show that every appointment made by the Commissioner of Pensions since he assumed the duties of that office has been strictly in accordance with both the letter and the spirit of the civil-service law. Instead of appointing seventy-four special examiners, General Black has appointed one hundred and fifty. The law of 1884 provided for the appointment of one hundred and fifty special examiners for one year. At the end of the year all those positions became vacant, and thus it became the duty of General Black soon after he took charge of the office to appoint one hundred and fifty special examiners. Let us see how he performed that duty.

About sixty-five of the one hundred and fifty appointments in the first instance were made by promotions from those already in the service; the others were made, under the civil-service law, from outside. The first appointments made under that law were made by Colonel Dudley, not by General Black. Colonel Dudley made a requisition to fill eighty-five places, and between four hundred and five hundred names were sent to him by then Civil Service Commission composed of Messrs. Eaton, Gregory, and Thoman. The civil-service law was then in force, and the names sent in comprised all the eligibles on the list. The minimum standard then required to pass the examinations was an average of 50. The standard remained unchanged until 1885, when it was raised by the commission to an average of 65. Eighty-five persons were appointed by Colonel Dudley from the four hundred or five hundred names sent him. These were all Republicans, or supposed to be Republicans. That was the beginning of the appointment of the special examiners, and the precedent was then set by the Republican Commissioner of Pensions of taking the whole list and appointing only Republicans from it. That is the way the law was, in the first instance, put in force. The Attorney-General, Mr. Brewster, had decided that these appointments must be made under the civil-service law, and Colonel Dudley proceeded to make them in the way I have indicated.

Mr. HISCOCK. I desire to ask the gentleman a question for information. Were those first appointments of examiners simply details from the clerical force of the Pension Office at that time?

Mr. SPRINGER. I have stated that sixty-five of those first appointed by Colonel Dudley were assigned or transferred to this duty from persons employed in other positions, and that about eighty-five were outsiders appointed under the civil-service law and rules. The first appointments were made by Colonel Dudley in July, 1884, and under the terms of the law, they were for one year. In 1885, when the terms of these officials expired, General Black was the Commissioner of Pensions, and it became his duty under the law to make the new appointments. What did he do? As Colonel Dudley, his predecessor, had done? Not at all. He reappointed, from those already in the service, who were Republicans, seventy-one special examiners, and they became, under the civil-service law, his appointments. The others went out by the expiration of their terms of office.

Mr. ADAMS, of Illinois. Will my colleague permit me a question?

Mr. SPRINGER. Yes, sir.

Mr. ADAMS, of Illinois. The Republicans whom General Black appointed special examiners, had they been special examiners under Commissioner Dudley, or were they taken from the permanent force of the Pension Office?

Mr. SPRINGER. If the gentleman had paid attention to what I have been saying he would understand that.

Mr. ADAMS, of Illinois. I tried to.

Mr. SPRINGER. I will restate it. Commissioner Dudley in 1884 made the first appointments under the law, and it so happened that they were all Republicans. Those appointments were made for one year. At the end of the year, when their terms expired, it became the duty of General Black, in July, 1885, to fill those places. He proceeded to do it by reappointing seventy-one of the old force.

Mr. ADAMS, of Illinois. What old force?

Mr. SPRINGER. Those already in employment.

Mr. ADAMS, of Illinois. In what employment?

Mr. SPRINGER. Employment as special examiners. General Black made reappointments of the old force to the number of seventy-one. The others not reappointed went out of office under the provisions of the law. General Black then made a call upon the Civil Service Commission (consisting of Messrs. Eaton, Gregory, and Thoman, two Republicans and one Democrat) for a list of persons eligible to fill sixty of

the existing vacancies. The Commission responded by sending him the old list from which Colonel Dudley had drawn the eighty-five persons appointed by him in 1884, with eleven additional names, the whole list embracing between three hundred and four hundred names.

Now, gentlemen have said that General Black violated the law. The law was in force at the time when the Civil Service Commission (which had been appointed by a Republican administration and which was composed of two Republicans to one Democrat) sent that list to Colonel Dudley in July, 1884.

Mr. BUCHANAN. Will the gentleman permit me to ask him a question for information?

Mr. SPRINGER. Upon this line?

Mr. BUCHANAN. Yes, strictly upon this line. How many appointments were to be made by Colonel Dudley?

Mr. SPRINGER. One hundred and fifty was the number of special examiners authorized by the new law.

Mr. BUCHANAN. And he made a requisition for how many to be appointed from the outside?

Mr. SPRINGER. He appointed about sixty-five from those already in the office, and drew on the Civil Service Commission for the rest of them, and it turned out that they were all Republicans.

Mr. BUCHANAN. How many names were included in the list of eligibles sent by the Commissioner?

Mr. SPRINGER. I have already stated that.

Mr. BUCHANAN. You have not stated the number on that list. You have stated the number on the list sent to General Black. How many were on the list sent to Colonel Dudley and from which he made his selections?

Mr. SPRINGER. Between four hundred and five hundred.

Mr. BUCHANAN. I want accurate information, if the gentleman has it.

Mr. SPRINGER. I have accurate information. Four hundred will do, will it not?

Mr. BUCHANAN. No; I want accurate information.

Mr. SPRINGER. The commission sent in the names of all the eligibles.

Mr. BUCHANAN. I am trying to find the extent of that list.

Mr. SPRINGER. They sent in the names of all the eligibles.

Mr. BUCHANAN. Does the gentleman know how many names were sent?

Mr. SPRINGER. I have already given the gentleman the statement. There were between four hundred and five hundred. It is not material how many there were. The commission sent in all the names they had.

Mr. BUCHANAN. I would like to know (if the gentleman has not accurate information, of course I can not get it) whether the commission sent in more than the requisite number of four names for each place.

Mr. SPRINGER. They sent in all they had.

Mr. BUCHANAN. I have already been informed that they sent in all they had. It seems the gentleman does not know how many were sent in.

Mr. SPRINGER. I will come to that point. There was no reference to the number of four for each place. That idea was not advanced at all.

Mr. PETERS. Did not the Civil Service Board hold examinations in the different States, and were not the names of all who passed the examinations sent up to the board and that list of names sent to the Commissioner from which to select?

Mr. SPRINGER. The civil service commissioners made their examinations as required by law. I am not familiar with the details; but when a requisition was made they sent in all the names they had.

Mr. PETERS. They sent in the names of all who had passed the examinations which were held at different points throughout the United States?

Mr. SPRINGER. They sent in all they had.

Mr. PETERS. At the instance of General Dudley I introduced the bill to which the gentleman refers; so I know something about it.

Mr. HILL. I wish to ask my friend from Illinois [Mr. SPRINGER] whether he intends this as an apology for the appointment of Democrats to office under a Democratic administration?

Mr. SPRINGER. I am sorry my friend has interjected that question. I am not apologizing for anybody. I am telling the truth. It ought to be told. If it hurts Democrats, let it hurt them. But it will not hurt this administration.

Now I wish to go on uninterruptedly for a little while, if possible. The last list sent to General Black in 1885 embraced between three hundred and four hundred names. From these names he appointed about twenty-four examiners in July. He made another call in October, 1885, for a list of eligibles, and in response to that call the commissioners sent him seventy-two names, sixty of which were new names, and twelve from the old list. The other eligibles had been certified, I suppose, three times theretofore or had dropped out by reason of having been carried on the roll for two years. Twenty-seven of those certified were appointed at that time—that is, in October, 1885. The next call made by General Black for eligibles was in December, 1885, when sixty-four names were sent in, eighteen of which were new names. From those sent in at that time seventeen appointments were made. In February, 1886, General Black made another call for a list of eligibles. Sixteen names were sent in, two of them new names, and those two were appointed. In May, 1886, General Black again called for a list of those eligible, when twenty-six names were sent in to fill eleven vacancies; and from those twenty-six names eleven appointments were made. This completed the list of one hundred and fifty that he was required by law to appoint.

Now, of these one hundred and fifty special examiners appointed by General Black it happened by accident or design—I presume by design—that about one-half were Democrats and the other half Republicans.

Mr. CANNON. As I understand, about one-half of the old force was reappointed by General Black; and nearly one-half of the one hundred and fifty examiners were appointed from men who were examined after General Black went into office. Now, as to this list, does the gentleman know the politics of the appointees?

Mr. SPRINGER. Of the appointments from those in office and those out of office, it happens that about one-half of the appointees of General Black are Democrats and the other half Republicans. For this he has been denounced as guilty of undue partisanship and as having nullified the civil-service law.

Mr. CANNON. That does not answer my question. I am speaking of the new appointees—the appointees from those not in the service. I want to know the proportion of Democrats and Republicans in round numbers.

Mr. SPRINGER. More of them were Democrats than Republicans, of course.

Mr. CANNON. How many were Democrats?

Mr. SPRINGER. I have given the exact numbers as I have gone along, and I can not now go back to recapitulate.

Mr. CANNON. I do not understand that the gentleman has done so.

Mr. SPRINGER. I want to come to the point which my friend tried to make yesterday, that General Black had nullified the law——

Mr. CANNON. No.

Mr. SPRINGER. I am going to show what the law is and what the rules of the Civil Service Commission are.

Mr. REAGAN. The difficulty with the gentleman from Illinois [Mr. CANNON] is that half were Democrats and half were Republicans. He wanted all Republicans.

Mr. CANNON. My colleague [Mr. SPRINGER] does not want to place me in a false position, nor to answer a man of straw. My statement was that as to the new appointees—the appointees from those not already in the service—the evidence of the Commissioner before the Senate committee, as stated in the newspaper press, was that out of seventy-five of these new appointees but four were Democrats, and as to the balance he did not know their politics. Now, I would be glad if my friend could corroborate or dispute that statement. I have no knowledge of the matter except what I got from the newspaper press.

Mr. SPRINGER. I presume that is true. I hope it is true. It ought to have been true.

Mr. CANNON. In order to put myself right I wish to say that if that was true it was, in my opinion, a violation of the spirit of the civil-service law; that is all.

Mr. SPRINGER. Now, my friend has modified his statement so much that it does not amount to anything.

Mr. CANNON. I beg the gentleman's pardon. This is what I stated yesterday and what I state to-day.

Mr. SPRINGER. The gentleman said boldly and defiantly that General Black had violated the law.

Mr. CANNON. Oh, no.

Mr. SPRINGER. Now, I propose to show he did not violate the letter or the spirit of the law in doing what the gentleman says he did and what I presume he did.

Mr. CANNON. If the gentleman wants to answer a man of straw, he can do so; if he wants to answer what I said, let him answer it.

Mr SPRINGER. I say that of those one hundred and fifty appointments one-half were Democrats and one-half were Republicans; and as to those selected from the outside nearly all were Democrats, as the Commissioner had the right to make them. Now, how did it happen that it was in his power to do this? I call the attention of my colleague to the rules of the Civil Service Commission in regard to these special examiners. The case is covered by a special rule.

Mr. CANNON. I so stated yesterday.

Mr. SPRINGER. I propose to read it. It is special rule No. 3, approved July 22, 1884, applying to these very officers—special examiners of the Pension Office:

> Appointments to the one hundred and fifty places in the Pension Office provided to be filled by the act of July 7, 1884, except so far as they may be filled by promotions, must be separately apportioned by the appointing power in as near conformity to the second section of the act of January 16, 1883, as the need of filling them promptly and the residence and qualifications of the applicants will permit.

Now what was the second section of the act of January 16, 1883, otherwise called the civil-service law, to which reference is here made? That second section provides among other things that appointments to the public service in the Departments at Washington should be ap-

portioned among the several States and Territories and the District of Columbia upon the basis of population as ascertained in the last preceding census. Under the law, these apportionments as to other offices than special examiners are made by the Civil Service Commission, but under the rule which I have read the civil-service commissioners were required to send the whole list of eligibles to the Secretary of the Interior, and it was the duty of the Secretary of the Interior and the Commissioner of Pensions to apportion these appointments in their own discretion among the several States and Territories according to population. They could not apportion them according to population if the rule which my friends on the other side have asserted should apply—that only four names for each vacancy to be filled should be sent in. It will thus be seen that in regard to these special examiners an entirely different rule applied from that relating to any other appointments in the public service.

Now, I assert, and defy contradiction of the assertion, that General Black and the Secretary of the Interior, in administering the law in regard to these special examiners, complied with it in letter and in spirit; and their action in this respect has had the sanction of the civil-service commissioners appointed by a Republican administration as well as those appointed by Mr. Cleveland.

Mr. CANNON. Will the gentleman yield for a question upon this point?

Mr. SPRINGER. I do not like to give away so much of my time, but as my colleague says the question is pertinent, I yield.

Mr. CANNON. The law, if I understand it correctly, does not prescribe the politics of a man who may apply for examination under the civil-service rules. Now, if the law in this respect was fairly administered, how did it happen that out of seventy-four new appointments seventy-odd appointees were Democrats, and there were no Independents, no Greenbackers, no Republicans at all?

Mr. SPRINGER. It so happened he had one hundred and fifty appointments to make, and he so arranged them that half were Democrats and half were Republicans; and he had the right to make them that way.

Mr. TOWNSHEND. The first seventy-two appointments made by Commissioner Black of special examiners, every one of them was a Republican.

Mr. SPRINGER. The House understands these facts.

Mr. REED, of Maine. I wish the gentleman would deal fairly with the House in this matter.

Mr. SPRINGER. I have stated it exactly as it occurred.

Mr. REED, of Maine. Does the gentleman say those were men who were out of office?

Mr. REAGAN. They were out of position and had to be reappointed.

Mr. SPRINGER. The gentleman from Maine is mistaken in supposing they were men who were not out of office.

Mr. REED, of Maine. Do you mean to say anybody General Black had the choice of appointing a Republican was appointed—that out of seventy-two men appointed by him every one of them was a Republican?

Mr. SPRINGER. That is exactly what I mean to say.

Mr. TOWNSHEND. That is exactly what I have said.

Mr. REED, of Maine. That he did appoint seventy-two men—all Republicans?

Mr. SPRINGER. Yes.

Mr. REED, of Maine. I should want some affidavits of that.

Mr. SPRINGER. It is entirely susceptible of proof.

Mr. RANDALL. The law put them out of office.

Mr. REED, of Maine. They were men, then, who were in office?

Mr. RANDALL. They had been in office, but their time under the law had expired.

Mr. REED, of Maine. The law reinstated them, and he simply reappointed them; and that is all there is about it. But that is a very different thing from the masquerading business we have had here.

Mr. SPRINGER. I stated it that way three or four times. If the gentleman from Maine had been in his seat he would have heard me.

Mr. REED, of Maine. I was in my seat but did not hear it.

Mr. SPRINGER. These seventy-two examiners had been in office, but their terms had expired and the Commissioner reappointed them.

Mr. REED, of Maine. Could he have appointed other men to the positions?

Mr. SPRINGER. Yes; he could have appointed other men to these positions.

Mr. REED, of Maine. He simply continued them in the same positions.

Mr. SPRINGER. He gave them new commissions.

Mr. REED, of Maine. He could not do anything else.

Mr. RANDALL. The fact is, as the gentleman from Illinois has stated it, that he did appoint these seventy-two men who were Republicans. And his example can be commended to the other side of the House if they shall ever come again into power. [Laughter.]

Mr. SPRINGER. The House, I believe, now understands the matter as I first stated it.

Mr. REED, of Maine. I think they understand it thoroughly.

Mr. SPRINGER. And I am not going to reiterate it.

Mr. REED, of Maine. But they would not understand it if it had not been explained thoroughly.

Mr. SPRINGER. My printed remarks will show how I stated it, and how I explained it from the very first.

Mr. WEAVER, of Iowa. Under the law was Commissioner Black required to retain any of that force in office?

Mr. SPRINGER. No law required him to retain any of that force in office, but on the contrary the law terminated their service. It became the duty of the Commissioner and the Secretary of the Interior to make new appointments; and in making those reappointments, as it has already been explained, out of one hundred and fifty special examiners he appointed one-half the number from the Republican party. And in doing this I commend his example to gentlemen on the other side of the House who have been parading their non-partisanship before the country, so that if they should ever by some unfortunate turn of events come back into the control of the administration of the Government, they will treat members of the Democratic party as fairly as the Democratic administration has treated members of the Republican party. I hope the example of Commissioner Black will commend itself to their consideration and to their imitation.

Mr. RANDALL. Gentlemen can see how much his conduct in that direction is appreciated by the Republican party.

Mr. SPRINGER. Every one understands this who wants to appreciate it.

But outside of these one hundred and fifty examiners appointed by Commissioner Black, one-half of whom were Republicans and the other half Democrats, I wish to call the attention of the House to other appointments in the Pension Office. Four chiefs of division not under the civil-service law have been appointed by General Black who were Democrats, and eight have been retained who were Republicans, every one of them drawing $2,000 a year, and not one of them protected at all by the civil-service law. He could have appointed a Democrat to every one of those offices if he had chosen to do so. The law did not stand in his way.

A MEMBER. And he ought to have done it. [Applause.]

Mr. SPRINGER. But he only appointed four Democrats out of the twelve places.

Mr. HISCOCK. Could he have appointed Democrats to every one of those positions and found competent men to do the work?

Mr. SPRINGER. Yes, sir; he could.

Mr. REED, of Maine. Well, you are going to make him very unpopular with the Democratic party if you keep on with that speech. [Laughter.] But the fact is, the public know that the speech does not amount to anything.

Mr. DOUGHERTY. I desire to suggest to the gentleman from Illinois that the only sin Mr. Black committed is that after these fellows were turned out ever to have issued a commission to one of them.

Several MEMBERS. That is true.

Mr. SPRINGER. But to go on with this list. Two qualified surgeons have been appointed, not under the civil-service law, both of whom are Democrats. Their salaries are $2,000 each. Five medical examiners have been appointed, at a salary of $1,800 a year. Two of these were appointed before the decision of Attorney-General Garland bringing these officials under the civil-service rules, and three afterward. The three appointees for this service were certified up by the Civil Service Commission under the law. These five medical examiners are Democrats, and thirteen remain in their old positions and are supposed to be Republicans. So that out of this number only five changes have been made, and the thirteen Republicans still remain in office.

The CHAIRMAN (Mr. COX in the chair). The time of the gentleman has expired.

Mr. SPRINGER. I hope the gentleman from New York will yield to me a little longer.

Mr. REED, of Maine. I wish the House would give the gentleman five minutes more, and I want five minutes to expose this thing.

Mr. WEAVER, of Iowa. I want the House to give the five minutes then, because I want to see if it can be exposed.

Mr. RANDALL. I will yield five minutes to the gentleman and will try to get it from some other source.

Mr. SPRINGER. Mr. Chairman——

Mr. TOWNSHEND. Mr. Chairman, I certainly must take the floor.

Mr. RANDALL. Then I will have to take back the time that I have yielded.

Mr. TOWNSHEND. I reserved my time and have yielded now for some time to other gentlemen.

Mr. SPRINGER. I will get through in five minutes.

Mr. RANDALL. Illinois must settle its own controversies, but not at my expense.

Mr. REED, of Maine. The gentleman from Pennsylvania had better give me five minutes and depend upon the other side to reimburse him. [Laughter.]

Mr. RANDALL. I have not any more time to spare.

Mr. TOWNSHEND. I will let my colleague proceed now without insisting upon my right to the floor.

Mr. SPRINGER. I will not occupy more than five minutes longer.

Mr. REED, of Maine. Let us have some more of the same kind of Democratic actions.

Mr. SPRINGER. I will give the gentleman, if he will be still, a good deal of valuable information.

Mr. REED, of Maine. I have no doubt you will.

Mr. SPRINGER. I can assure him that we have so far "tempered the winds to the shorn lambs" upon that side of the House.

Now, all the other officers in the office of the Commissioner of Pensions not appointed under the civil-service law, but selected by the Commissioner of Pensions personally, such as messengers, watchmen, &c., only about half the number have been changed, and the other half remain just as they were under the Republican administration.

These positions in the Pension Office are twenty messengers, twenty-five watchmen, twenty-five laborers, twenty messenger boys, and five charwomen. Seven of the old messengers remain. One who has left this service was promoted to a better position. Ten of the old watchmen remain, nine of the laborers, and nine of the messenger boys, and four charwomen.

Gentlemen have assumed and the gentleman from Maryland [Mr. McCOMAS] said that it was the object of the Democratic party to make a clean sweep of these offices. No such intention has been shown since Mr. Cleveland took control of the administration. I want to call the attention of gentlemen to the wonderful forbearance that the Democratic party has shown in regard to the offices as far as the Republicans are concerned. Look at the Government Printing Office, still run by Mr. Rounds, a Republican, while there are over one thousand employés.

Mr. RANDALL. Over twenty-six hundred.

Mr. SPRINGER. Twenty-six hundred, as the gentleman from Pennsylvania tells me; not one of them protected by the civil-service law.

Mr. RANDALL. And the office expends $2,700,000 annually.

Mr. SPRINGER. Yes, sir. I refer also to the Bureau of Engraving and Printing, where the number of Republican employés is nearly a thousand, and which is presided over by a Republican, not one of the employés in the bureau being protected by the civil-service laws.

Mr. HISCOCK. Let me ask the gentleman if their protection is not——

Mr. SPRINGER. I decline to yield to the gentleman. The Architect of the Treasury Department is a Republican and still holds his place; not one of his employés is protected by the civil-service law. And look at the offices throughout the country generally that are still filled by Republicans. The consul-general and vice-consul at Paris are Republicans; many of the positions of governors of the Territories and the judges of the Territorial courts, officers of the Indian Bureau and of the land offices are still in the hands of the Republicans. Look into any branch of the public service in every State and Territory and you will find hundreds of Republicans are still in office.

The incumbents of the following offices of the Treasury Department have not been changed by this administration:

Supervising Surgeon-General of Marine-Hospital Service.
Supervising Inspector-General of Steam-Vessels.
Chief of the Secret Service.
Superintendent of Life-Saving Service.
Chief of the Bureau of Engraving and Printing.
Deputy commissioner of customs.
Deputy second auditor.
Deputy fourth auditor.
Deputy fifth auditor.
Deputy sixth auditor.
Deputy commissioner of internal revenue.
Commissioner of Navigation.
Five chiefs of division in Secretary's Office.
Eight assistant chiefs of division in Secretary's Office.
Three chiefs of division in First Auditor's Office.
One chief of division in Second Auditor's Office.
Two chiefs of division in Third Auditor's Office.
One chief of division in Fourth Auditor's Office.
Two chiefs of division in Fifth Auditor's Office.
Two chiefs of division in Sixth Auditor's Office.
One chief of division in First Comptroller's Office.
Two chiefs of division in Second Comptroller's Office.
One chief of division in Comptroller of Currency's Office.
Four chiefs of division in Commissioner of Internal Revenue Office.
Four chiefs of division in Treasurer's Office.

None of these positions are protected by the civil-service law.

There are also in the Treasury Department about one hundred and seventy-five messengers, assistant messengers, laborers, firemen, watchmen, paper-counters, &c., at salaries ranging from $840 to $360 per annum, and about six hundred employés paid per diem salaries in the Bureau of Engraving and Printing, all of whom may be appointed without reference to the civil-service rules.

Under the general leave to print which has been given I will insert lists of Presidential and Department offices in the Interior Department not covered by the civil-service law, and in which there have not as yet been any changes made by the present administration.

List of departmental offices above the "classified service" to which appointments have not yet been made (June 10, 1886) by the present administration.

[A star (*) against a name indicates service in Union Army or Navy.]

Office.	Salary.	Present incumbent.	Legal residence.	Original appointment.
OFFICE OF THE SECRETARY.				
Chief clerk and superintendent of the building	$2,750	George M. Lockwood*	New York	Feb. 9, 1877
Disbursing clerk	2,000	George W. Evans	District of Columbia	Apr. 16, 1864
Chief of Indian division	2,000	Robert V. Belt*	Maryland	Apr. 15, 1882
Chief of patents and miscellaneous division	2,000	Edw. M. Dawson	Maryland	Aug. 22, 1868
Member board of pension appeals	2,000	George Ewing	Pennsylvania	Mar. 28, 1863
Superintendent of documents	2,000	John G. Ames	New York	Nov. 1, 1873
Chief of stationery division	2,000	Amos Hadley*	Maine	Aug. 23, 1876
Custodian of the Department	1,600	Charles W. Thompson*	Massachusetts	Aug. 8, 1882
Clerk to sign land patents	1,200	Miss Marcia McKean	District of Columbia	July 12, 1884
OFFICE OF ASSISTANT ATTORNEY-GENERAL.				
Law clerk	2,500	Frank L. Campbell*	Ohio	June 27, 1870
Clerk	2,000	Samuel V. Proudfit	Iowa	Apr. 7, 1881
Do	2,000	Luther R. Smith*	Alabama	July 3, 1883
Do	2,000	Edwin P. Hanna	Kansas	July 21, 1875
GENERAL LAND OFFICE.				
Law clerk	2,000	John W. Le Barnes*	District of Columbia	Nov. 1, 1875
Inspector of surveyors-general and district land offices	2,000	Francis D. Hobbs*	New Hampshire	Dec. 9, 1871
OFFICE OF INDIAN AFFAIRS.				
Financial clerk	2,000	Edmund S. Woog*	Missouri	May 23, 1877
Principal book-keeper	1,800	Joseph B. Cox	District of Columbia	Nov. 28, 1871
Chief of accounts division	1,800	Samuel M. Yeatman	Virginia	Feb. 6, 1878
Chief of lands division	2,000	Charles A. Maxwell*	Ohio	Dec. 23, 1874
Special Indian agent	2,000	Charles H. Dickson	Indiana	Aug. 21, 1884
PENSION OFFICE.				
Chief of board of review	2,000	Jacob R. Van Mater	New Jersey	Mar. 17, 1866
Chief of Eastern division	2,000	Fred Mack*	Vermont	May 15, 1872
Chief of War and Navy division	2,000	William H. Webster*	Connecticut	June 8, 1869
Chief of mail division	2,000	David L. Gitt	Missouri	June 8, 1869
Chief of miscellaneous division	2,000	Fred. C. Peck*	Colorado	Apr. 21, 1882
PATENT OFFICE.				
Chief clerk	2,000	Schuyler Duryee	Virginia	Jan. 3, 1881
Examiner of interferences	2,500	Frank MacArthur	Wisconsin	July 14, 1877
Principal examiner	2,400	Oscar C. Fox*	New York	May 21, 1870
Do	2,400	William H. Blodgett	Wisconsin	May 1, 1871
Do	2,400	Benjamin W. Pond	Virginia	July 17, 1873
Do	2,400	William Burke	Wisconsin	Dec. 1, 1866
Do	2,400	Thomas Antisell*	District of Columbia	June 1, 1866
Do	2,400	Oscar Woodward	Iowa	Feb. 1, 1874
Do	2,400	Frank T. Brown	Kentucky	Nov. 15, 1875
Do	2,400	Henry P. Sanders*	New York	July 6, 1869
Do	2,400	John P. Chapman	Ohio	June 1, 1872
Do	2,400	Jos. W. Jaynes	Pennsylvania	May 21, 1861
Do	2,400	Solon W. Stocking*	New York	Sept. 3, 1869
Do	2,400	Benjamin S. Hedrick*	North Carolina	Apr. 10, 1861

List of departmental offices above the "classified service" to which appointments have not yet been made, &c.—Continued.

Office.	Salary.	Present incumbent.	Legal residence.	Original appointment.
Principal examiner	$3,400	Charles J. Kintner	Michigan	Sept. 16, 1878
Do	2,400	L. M. E. Cooke	District of Columbia	Sept. 12, 1872
Do	2,400	Francis Fowler	New York	June 1, 1869
Do	2,400	A. George Wilkinson	Connecticut	July 1, 1864
Do	2,400	Malcolm Seaton*	District of Columbia	Aug. 1, 1866
Do	2,400	Robert Mason	Tennessee	Jan. 6, 1868
Do	2,400	Charles G. Gould*	Vermont	Feb. 21, 1877
Examiner of trade-marks	2,400	Franklin A. Seely*	Pennsylvania	Nov. 20, 1875
Examiner of designs	2,400	Perry B. Pierce	New York	Feb. 13, 1875
Financial clerk	2,000	Levi Bacon	Michigan	Nov. 12, 1875
Chief of draughting division	2,000	Marcellus Gardner*	New York	July 1, 1867
Chief of issue of Gazette	2,000	John W. Babson	Maine	Feb. 6, 1877
OFFICE OF EDUCATION.				
Chief clerk	1,800	William H. Gardiner	New Hampshire	Feb. 14, 1882
Collector and compiler of statistics	2,400	J. Edwards Clarke †	New York	June 24, 1880
Statistician	1,800	Charles Warren †	Illinois	Oct. 12, 1870
OFFICE OF COMMISSIONER OF RAILROADS.				
Engineer	2,500	Thomas Hussard	Florida	Feb. 16, 1881
GEOLOGICAL SURVEY.				
Chief clerk	2,400	James C. Pilling	District of Columbia	July 1, 1881
Executive officer	3,000	James Stevenson †	do	Mar. 7, 1881
General assistant	3,000	George W. Shutt	West Virginia	Aug. 18, 1882
Chief disbursing clerk	2,400	John D. McChesney	New York	Dec. 30, 1879
Librarian	2,000	Charles C. Darwin	District of Columbia	April 6, 1882
Photographer	2,000	John K. Hillers	California	July 1, 1881
Geologist	4,000	George F. Becker	do	July 8, 1879
Do	4,000	Samuel F. Emmons	Wyoming	July 8, 1879
Do	4,000	Grove K. Gilbert	Utah	July 8, 1879
Do	4,000	Arnold Hague	New York	July 8, 1879
Do	4,000	Ferd. V. Hayden †	Pennsylvania	July 8, 1879
Geologist	3,000	Henry Gunnett	Maine	Oct. 8, 1879
Do	3,000	Roland D. Irving	Wisconsin	July 12, 1880
Geologist	2,400	William H. Holmes	Ohio	Mar. 7, 1881
Do	2,400	A. Williams, jr	California	June 2, 1880
Geologist	2,000	Lester F. Ward †	District of Columbia	July 1, 1881
Paleontologist	4,000	Othniel C. Marsh	Connecticut	Aug. 18, 1882
Do	2,000	Charles D. Walcott	New York	July 17, 1879
Chemist	3,000	Frank W. Clarke	Ohio	June 30, 1883
Do	2,000	William F. Hildebrand	Colorado	June 23, 1880
Chief geographer	2,700	Almon H. Thompson †	Kansas	Aug. 18, 1882
Geographer	2,500	John H. Renshawe	Illinois	July 8, 1879
Do	2,500	Gilbert Thompson †	Massachusetts	April 22, 1880
Topographer	2,000	Sumner H. Bodfish †	District of Columbia	July 8, 1879
Do	2,000	Anton Carl	New Mexico	July 20, 1881
Do	2,000	Henry F. Walling	District of Columbia	June 30, 1883
BUREAU OF LABOR.				
Chief clerk	2,000	Oren W. Weaver	Massachusetts	Feb. 3, 1885
MISCELLANEOUS.				
Superintendent of Government Hospital for the Insane	2,500	William W. Godding	Massachusetts	Sept. 1, 1877
Surgeon in charge of Freedmen's Hospital	2,000	Charles P. Purvis	District of Columbia	Oct. 6, 1881
Assistant superintendents of the Yellowstone National Park	900	Edmund L. Fish	New York	June 2, 1883
Do	900	J. W. Weimer	Kansas	June 2, 1883
Do	900	Samuel S. Erret	New Mexico	June 12, 1883

† The "temporary" force of the Geological Survey in which the law specifies no offices is not here considered.

List of Presidential offices under the Department of the Interior to which appointments have not yet been made by the present administration.

Name.	Office.	Original appointment.
GOVERNORS OF TERRITORIES.		
Gilbert A. Pierce	Dakota	July 2, 1884
Watson C. Squire	Washington	July 2, 1884
Francis E. Warren	Wyoming	Feb. 27, 1885
SECRETARIES OF TERRITORIES.		
Edward J. Curtis	Idaho	Feb. 12, 1885
Arthur L. Thomas	Utah	May 1, 1879
Nicholas H. Owings	Washington	Feb. 5, 1877
Elliott S. N. Morgan	Wyoming	Mar. 10, 1880
PENSION AGENTS.		
Thomas P. Cheney	Concord, N. H.	July 4, 1884
Russell Errett	Pittsburgh, Pa.	Apr. 17, 1883
Theodore L. Poole	Syracuse, N. Y.	Mar. 28, 1879
Sidney L. Wilson	Washington, D. C.	Jan. 22, 1885
SURVEYORS-GENERAL.		
Martin S. Chandler	Minnesota	Apr. 2, 1883
Christopher C. Powning	Nevada	Mar. 3, 1883
James C. Tolman	Oregon	Apr. 17, 1878
REGISTERS OF LAND OFFICES.		
William C. Wells	Huntsville, Ala.	Nov. 20, 1884
Thomas Wing	Prescott, Ariz.	June 7, 1882
Benjamin M. Thomas	Tucson, Ariz.	Mar. 2, 1883
Adolphus G. Leming	Dardanelle, Ark.	Jan. 15, 1884
William R. Wheaton	San Francisco, Cal.	Jan. 12, 1876
John C. Bradley	Marysville, Cal.	Dec. 13, 1879
George A. McKenzie	Stockton, Cal.	Aug. 15, 1876

List of Presidential offices under the Department of the Interior to which appointments, &c.—Continued.

Name.	Office.	Original appointment.
Jeremiah D. Hyde	Visalia, Cal.	Oct. 16, 1875
Edward F. Taylor	Sacramento, Cal.	June 18, 1878
Wright P. Hall	Susanville, Cal.	Mar. 11, 1884
David Walker	Bodie, Cal.	Jan. 8, 1884
Louis Dugal	Denver, Colo	May 28, 1877
Richard Harvey	Central City, Colo.	Aug. 9, 1879
David S. Hoffman	Lake City, Colo.	June 5, 1883
Daniel L. Sheets	Durango, Colo	June 9, 1882
John J. Thomas	Gunnison, Colo	Jan. 29, 1883
James L. Hodges	Glenwood Springs, Colo.	July 4, 1884
George B. Everitt	Mitchell, Dak	June 25, 1883
Horace Austin	Fargo, Dak.	Apr. 22, 1879
John A. Rea	Bismarck, Dak.	May 27, 1880
James P. Luce	Deadwood, Dak	Oct. 21, 1883
Byram C. Tiffany	Grand Forks, Dak.	Feb. 18, 1880
Henry W. Lord	Devil's Lake, Dak	May 22, 1883
Louis A. Barnes	Gainesville, Fla.	July 1, 1879
Patrick H. Winston	Lewiston, Idaho	Feb. 26, 1885
Homer L. Pound	Hailey, Idaho	Mar. 1, 1883
Felix G. Clarke	Des Moines, Iowa	Feb. 10, 1868
John M. Hodge	Salina, Kans	Mar. 30, 1880
John Bissell	Kirwin, Kans	Mar. 3, 1883
Sylvester H. Dodge	Concordia, Kans.	Mar. 3, 1883
Alonzo L. Patchin	Oberlin, Kans.	Mar. 22, 1883
Charles Doughty	East Saginaw, Mich.	July 18, 1876
Nathaniel Clark	Reed City, Mich	Dec. 15, 1883
Barnum B. Cochran	Marquette, Mich.	Jan. 6, 1883
Lucus K. Stannard	Taylor's Falls, Minn.	Oct. 7, 1884
Gustave Reiche	Boonville, Mo.	May 15, 1874
James H. Chase	Ironton, Mo	June 22, 1883
George A. C. Woolley	Springfield, Mo.	June 1, 1876
Miner W. Bruce	Niobrara, Nebr.	July 5, 1884
Simon W. Switzer	Bloomington, Nebr.	Aug. 15, 1878
Gilbert L. Laws	McCook, Nebr.	Mar. 3, 1883
Washington Berry	Miles City, Mont.	July 5, 1884

List of Presidential offices under the Department of the Interior to which appointments, &c.—Continued.

Name.	Office.	Original appointment.
Edward S. Butler	Neligh, Nebr	Jan. 20, 1880
Hugh J. Dobbs	Beatrice, Nebr	Mar. 4, 1884
Frederick H. Hinkley	Eureka, Nev	July 14, 1880
Charles F. Easley	Santa Fé, N. Mex	Feb. 26, 1885
James H. Thomas	North Yakima, Wash	Dec. 21, 1884
George W. Fay	Menasha, Wis	Jan. 7, 1875
Michael Field	Saint Croix Falls, Wis	July 27, 1861
William H. Tancre	Huntsville, Ala	Jan. 29, 1880
Chester Thomas	Prescott, Ariz	July 1, 1884
Daniel H. Wallace	Tucson, Ariz	Feb. 9, 1885
Thomas J. Sherwood	Marysville, Cal	Mar. 17, 1883
Charles F. Gardner	Sacramento, Cal	July 16, 1883
Edward L. Salisbury	Leadville, Colo	Feb. 6, 1883
Charles D. Peck	Lake City, Colo	Mar. 3, 1883
Willard S. Hickox	Durango, Colo	June 9, 1882
Frederick J. Leonard	Gunnison, Colo	Jan. 29, 1883
James W. Ross	Glennwood Springs, Colo	July 4, 1884
Thomas F. Singiser	Mitchell, Dak	Mar. 3, 1885
Edward C. Gearey	Fargo, Dak	Mar. 1, 1883
William J. Anderson	Grand Forks, Dak	Feb. 19, 1880
Buel E. Hutchinson	Aberdeen, Dak	July 6, 1882
John F. Rollins	Gainesville, Fla	July 1, 1879
Arthur J. Shaw	Lewiston, Idaho	Jan. 3, 1884
John S. Waters	Hailey, Idaho	Mar. 1, 1883
James F. Legate	Cœur d'Alene, Idaho	July 18, 1884
Harper S. Cunningham	Salina, Kans	Feb. 15, 1883
William H. Pilkenton	Wa Keeney, Kans	Aug. 9, 1880
Alexis E. Lemee	Natchitoches, La	Jan. 30, 1874
Lyman G. Wilcox	Detroit, Mich	July 5, 1882
George B. Brooks	East Saginaw, Mich	July 6, 1882
William H. E. Mitchell	Reed City, Mich	July 24, 1878
Peter H. Holberg	Taylor's Falls, Minn	May 15, 1884
Edward G. Swanstrom	Duluth, Minn	Feb. 25, 1884
Lars K. Aaker	Crookston, Minn	Aug. 20, 1884
Andrew Railson	Redwood Falls, Minn	July 10, 1884
James Dumars	Springfield, Mo	Mar. 18, 1874
Sanford Parker	Niobrara, Nebr	Mar. 3, 1883
William Anyan	Grand Island, Nebr	Apr. 23, 1877
Charles F. Babcock	McCook, Nebr	Mar. 3, 1883
John T. Carlin	Bozeman, Mont	Apr. 27, 1883
William B. Lambert	Neligh, Nebr	Jan. 20, 1880
Henry D. Root	Lincoln, Nebr	July 7, 1882
John G. Pillsburg	Oregon City, Oreg	Mar. 3, 1883
Caleb N. Thornbury	The Dalles, Oreg	Feb. 3, 1875
James R. Hayden	Olympia, Wash	July 5, 1884
James Braden	Walla Walla, Wash	July 20, 1883
Luther S. Howlett	North Yakima, Wash	Jan. 9, 1885
James H. Jones	Menasha, Wis	Feb. 8, 1882
Alvah A. Heald	Saint Croix Falls, Wis	Dec. 18, 1884
Everett B. Sanders	Wausau, Wis	Jan. 16, 1883
INDIAN AGENTS.		
Charles E. Ashley	Colorado River, Ariz	Nov. 25, 1884
Theodore F. Willsey	Round Valley, Cal	June 19, 1884
Corington G. Belknap	Tule River, Cal	Oct. 2, 1875
C. F. Stollsheimer	Southern Ute, Colo	Jan. 15, 1885
John W. Cramsie	Devil's Lake, Dak	Oct. 14, 1885
Abram J. Gifford	Fort Berthold, Dak	Apr. 16, 1884
James G. Wright	Rosebud, Dak	July 6, 1882
James McLaughlin	Standing Rock, Dak	June 27, 1881
John F. Kinney	Yankton, Dak	July 9, 1884
Charles E. Monteith	Nez Percés, Idaho	Mar. 29, 1882
J. W. Patrick	Pottawatomie and Great Nemeha	Sept. 26, 1884
Timothy J. Sheehan	White Earth, Minn	Feb. 20, 1885
Peter Ronan	Flathead, Mont	Apr. 12, 1877
Wyman L. Lincoln	Fort Belknap, Mont	Apr. 11, 1878
William D. C. Gibson	Nevada, Nev	July 5, 1884
William Peacock	New York, N. Y	Apr. 8, 1884
F. M. Wadsworth	Siletz, Oregon	Apr. 28, 1883
Edwin Eells	Nisqually and Skokomish	Apr. 17, 1871
Charles Willoughby	Quinaielt, Wash. Ter	Aug. 9, 1883
MISCELLANEOUS.		
John W. Powell	Director Geological Survey	Mar. 21, 1881
Carroll D. Wright	Commissioner of Labor	Jan. 22, 1885
Hiram J. Ramsdell	Register of Wills	July 2, 1881
Ambrose B. Carleton	Utah commission	June 23, 1882
George L. Godfrey	do	June 23, 1882
Algernon S. Paddock	do	June 23, 1882
James R. Pettigrew	do	June 23, 1882
Robert S. Gardner	Indian inspector	July 1, 1880
S. Calvert Ford	Inspector gas and meters	Aug. 19, 1874
Seth W. Clark	Recorder General Land Office	Dec. 21, 1865
William H. Walker	Principal clerk private land claims	Jan. 6, 1875
Rufus L. B. Clarke	Examiner-in-chief Patent Office	Apr. 23, 1869
Henry H. Bates	do	May 1, 1877
Robert J. Fisher, jr	do	Mar. 5, 1883
Edward Clark	Architect of Capitol	Aug. 30, 1865

In the postal service equal forbearance has been shown. The Third Assistant Postmaster-General still holds his place; Mr. Jameson, Superintendent of the Railway Mail Service, and numerous others have not been changed. The postal railway clerks, numbering several thousand, have not been changed except for causes other than political. These places are not embraced in the civil-service law, and could all have been filled ere this by Democrats. In the State Department two Assistant Secretaries, the chief clerk, and many others are still retained. In the Army and Navy Departments but few changes have been made, and none, so far as I am advised, for political reasons. The President has not even changed the employés at the Executive Mansion. He sends his messages to Congress by the same secretary who brought those of Hayes and Arthur. In short, his whole administration is characterized by acts of forbearance toward his political opponents.

In view of these facts I assert, and the history of this country will concede the fact, that the administration of President Cleveland is the most non-partisan since that of George Washington. He has endeavored faithfully and honestly to execute the civil-service law, and has extended its spirit far beyond its letter. The Democratic party is in favor of the execution of this law in its letter and spirit, but it never was intended by the framers of that law, or by those who passed it, to put into the hands of a small cabal the power to arrange the appointments of all the officials of this Government against the will and judgment of the President and the heads of the Departments. All that was ever intended by the civil-service law was to provide an examination for those who were applicants for public service with a view to ascertaining their fitness for the positions to which they aspired. Gentlemen on the other side of the House are now endeavoring to pervert and distort this law for the purpose of keeping Republicans in and Democrats out of office.

Macht Platz fuer Alt Berks.

SPEECH

OF

HON. DANIEL ERMENTROUT,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, June 7, 1886.

The House having under consideration the bill (H. R. 1983) extending the limit of the appropriation for the erection of a public building at Reading, Pa.—

Mr. ERMENTROUT said:

Mr. SPEAKER: It is hardly worth while to take up much time in the discussion of this bill. It is not the first time that a bill for this purpose has been before Congress. As early as the Forty-second Congress a bill was passed by the House, but owing to the lateness of the session it was not considered in the Senate and consequently did not become a law. In the Forty-seventh Congress a bill was reported favorably to the House, but no opportunity given to call it up. In the Forty-eighth Congress a bill was reported providing for an appropriation of $80,000 and became a law. Commissioners were appointed to select a site for the erection of the building, and they reported the amount of the appropriation to be utterly inadequate. Hence a bill was introduced in this Congress asking for an appropriation of $250,000. The committee to which the bill was appropriately referred, upon examination, amended it by reducing the amount from $250,000 to $180,000, and that is the sum this bill appropriates.

Mr. WARNER, of Ohio. Is that $180,000 in addition to the former $80,000?

Mr. ERMENTROUT. No, sir; it is an addition of $100,000. After an investigation the Secretary of the Treasury thought $230,000 a sufficient sum. The committee, however, concluded that we must be content with $180,000, and we are willing to make the effort.

Mr. Speaker, perhaps it is hardly necessary for me to tell this House where the great metropolis of Reading is. And yet as there are so many things to engross the time and minds of Congressmen such information might be very necessary. Such also has been her astonishing growth that many of you who knew the Reading of old would hardly recognize the Reading of to-day. Reading is located on the eastern bank of the Schuylkill, "the hidden river" of the early Dutch explorers, on a gently sloping area of wide extent.

Beyond the river on the west, with a church-spire, a school-house, some bridge, or furnace stock, or factory, or mining operation thrown in, are the broad and fertile acres of the rich Lebanon Valley, dotted everywhere with farm-houses and homes, and now, in this month of June, thickly covered with fragrant clover and timothy and the waving wheat and rye almost ready for the reaper. Here and there rise hills and hillocks decked with forest foliage, revealing a picture pleasing to the eye and grateful with shade to the toiling laborer and the feeding herds. Back of this noble city stands out in bold relief against the eastern sky Penn's Mount, and along the winding river the Neversink Mountain, with its romantic Lover's Leap. Behind them lies Alsace, marshaling on the bosom of its sloping hills under the ripening sun battalions of the purple vine and the hills of Oley rich with corn and oil. These verdure-covered mountains command full views of the city below, and of miles and miles of the country beyond—a very garden of Paradise unrolling itself to the vision like some beautiful panorama. They are also interspersed with many pretty places of resort for entertainment and summer life, some hidden in the woods, some standing prominently forth, and are reached by means of good, broad roads cut in the mountains, or inclined railway. So well adapted for a city is its site, so charming its natural surroundings, so inexhaustible its facilities for comfortable and orna-

mental suburban homes and places of recreation, and so genial its thrifty population, that should its material resources fail Reading would continue to be a splendid and flourishing city.

But her material resources will not fail. Year after year adds new enterprises; year after year the hum of her industries swells louder and louder; year after year the thumps of her forge-hammers become more deafening; year after year the smoke ascending to the heavens from her furnaces and foundries, her factories, her mills, and her shops becomes denser in perpetual testimony to the solid, conservative, abiding progress which the genius of improvement has breathed into her people. Year after year new railroads from all directions project their tracks into and out of her territory and waken the echoes with their locomotive-whistles. Year after year buildings and shops are erected and enlarged to meet growing wants. Her streets are extended, her borders enlarged, her reservoirs increased, her natural advantages improved by art, and her population augmented. Her population is now at the lowest 55,000 souls, and will at the past rate of increase double within the lifetime of the present generation.

The revenues from the Federal offices have paid for the amount of the appropriation twenty times over and more.

But there is another reason why this bill should commend itself to the support of the House irrespective of party or locality.

We all love the "fathers of the earlier and better days of the Republic." Often on this floor have I heard gentlemen grow eloquent over the virtues, the principles, and traditions of Jefferson and Jackson and the fathers and the "good old times." Well, sir, let me say that Reading is the capital of that magnificent domain known in the political history of the country as "Old Berks." It was Samuel J. Tilden, the sage of Greystone and greatest of living statesmen, who, I am glad to know, still lives in the unimpaired possession of his faculties, while others who contended with him as rivals for the Presidential prize have passed away and are dust—he it was who paid the people I have the honor to represent that most magnificent compliment:

From the days of Jefferson, since the foundation of parties, through all the vicissitudes of parties, you have remained firm and steadfast to your political ideals.

Yes; and in the olden days elections were never considered settled till "Old Berks" was heard from.

Mr. STRUBLE. Will the gentleman permit me to ask him a question?

Mr. ERMENTROUT. I decline to be interrogated. It is not often that "old Berks" gets the floor so entirely to herself with such a following as she has to-day. [Laughter.]

People in those days, I say, never made up their minds how the election had gone until the returns came in from "old Berks." In those days they had not the telephone or the telegraph. The stage-coach and the Conestoga wagon were almost the sole means of communication. In our State the earliest returns were usually first gathered at Harrisburg, frequently brought there by the teamsters who gathered them up along the route. It is related that on the occasion of one of Jackson's campaigns the teamsters on their way through Harrisburg after the election day were asked, "What are the returns from old Berks?" The answer came: "Nine thousand majority for Jackson and they are voting yet." [Laughter.] Jackson was elected. Certainly the followers of Jefferson and Jackson and the admirers of the "good old times" are obligated to support this bill.

There is another ground on which I ask the unanimous support of the House for this bill, a reason that will commend itself to enlightened men everywhere. "Old Berks" has been eminently a missionary county, evangelizing in all sections of the country from the earliest times.

Mr. VAN EATON. Are there any missionaries there now?

Mr. ERMENTROUT. Plenty of them left. We have sent them to the East and the West, the North and the South, in fine to all points of the compass in this country, and, I may add, the rest of the world. I look at the benevolent countenance of my friend [Mr. MCCREARY] before me, and I see it beaming his acknowledgment of the lasting debt Kentucky owes to "Old Berks" for sending down into the "dark and bloody ground" her son, the noblest pioneer of all, Daniel Boone, to lay the foundations of the great Commonwealth that gave us statesmen like Clay and Crittenden and Breckinridge, himself and the Speaker of this House. I turn to Illinois. "Old Berks" nurtured the ancestors of Abraham Lincoln, whose memory since the grave has made mute the voice of party and buried the bitterness of war is cherished as that of an honest patriot. Those ancestors gave him to Kentucky; Kentucky gave him to Illinois; Illinois, to the country.

I find in Texas, in the person of Judge REAGAN, who has acted a conspicuous part to the annals of the country, a gentleman in whose veins courses the blood of John Andrew Shulze, one of Pennsylvania's German governors, whose home was on the banks of the Tulpehocken. The stubborn honesty of the descendant does not belie the sire whose same quality adorned that high position.

Let my friend [Mr. VAN EATON] hunt up the records of his State. He will find illustrating the history of his State Yerger and others whose names bear the ear-marks of "Old Berks." There is no telling how much of his success as a statesman Mr. HOLMAN, of Indiana, owes to the hundreds of the sons of old Berks living in his district. Perhaps he learned from them his first lessons in economy. Go into Ohio, behold her beautiful, well-proportioned, commodious, neat barns and well-tilled fields; they are the finger-boards of my people. The valleys of Virginia bloom with their thrift and her history with their achievements.

Thus might I go on a whole day and call up names and facts familiar in every Congressional district in the States and Territories of the Union, and I doubt if any one of the Representatives of the same, under oath, could fail to bear testimony to the benefits of the missionary work conferred upon them by the hosts of hardy pioneers and their descendants, who from the earliest times have gone forth from old Berks as it were from a mint of nations. Why, we have the lineal descendants of her children around us here on every hand as Representatives from the States. There is my colleague from Iowa [Mr. STRUBLE]; I am sure he is proud of his Berks County lineage. And there is my colleague from Kansas [SAMUEL RITTER PETERS]; he bears in his middle name most honorable evidence of the same origin.

To be sure, those gentlemen have forgotten to maintain the political faith of their fathers, but this only shows that our contributions to the country have been without regard to party. I might continue this interesting discourse, but I fear that to do so I would be compelled to take in the greater part of the Congressional Directory and a large part of the history of the country. I hope, however, that I have given this House a sufficient statement of the merits of this bill and of the obligations it is under to the district I have the honor to represent to make clear its duty to pass this bill.

Extension of Indebtedness of Pacific Railroads.

SPEECH

OF

HON. BARCLAY HENLEY,

OF CALIFORNIA.

IN THE HOUSE OF REPRESENTATIVES,

Saturday, June 5, 1886.

The House having under consideration the bill (H. R. 8318) to amend an act entitled "An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes," approved July 1, 1862; also to amend an act approved July 2, 1864, and also an act approved May 7, 1878, both in amendment of said first-mentioned act; and to provide for a settlement of the claims growing out of the issue of bonds to aid in the construction of certain of said railroads, and to secure to the United States the payment of all indebtedness of certain of the companies therein mentioned—

Mr. HENLEY said:

Mr. SPEAKER: I did not anticipate that this bill would be reached this morning, because I was advised yesterday that the Appropriations Committee intended to contest the right of way to-day with the Committee on Pacific Railroads and I thought the former would prevail in that contest. I had prepared some memoranda, which, not anticipating this discussion, I have not at hand, from which it was my purpose to address this House. I shall not, therefore, be able to do so with that elaboration that might be desired. But certain observations have suggested themselves to my mind while listening to the speech of the gentleman from Ohio [Mr. OUTHWAITE], which I desire to submit to the House, and I shall consume as little time as possible in doing so.

Now, Mr. Speaker, I certainly have no wish to say anything that savors of the *ad captandum* in noticing the propositions involved in this bill, because I recognize the fact that this is a business proposition and should be disposed of on business principles.

In the first place my very great respect for the chairman of the Committee on Pacific Railroads and the other gentlemen upon that committee constrains me to regard this bill with a great deal more favor than I otherwise would. Still, sir, there are certain great facts in connection with the subject which forbid me to surrender my individual judgment or yield it to the views of the committee.

I am profoundly impressed with the conviction that this measure should not pass, and that judgment is founded upon more reasons than I shall probably have time to express to-day.

I know this also in respect to the bill, and that is a consideration on the other side, that if its provisions so jealously conserve and guard the interests of the Government, it does seem passing strange that these companies, the Union and the Central Pacific, are so friendly to it. So far as my knowledge goes they have rarely favored honest legislation where their interests were involved. I do not know whether that is a factor that should enter into our view of the matter or not; but from the outgivings of certain organs, certain newspapers in this country of notorious tendencies, and from information which has reached me regarding the views of individuals who are to be seen in the corridors of this Capitol in connection with railroad legislation, I confess I am not much prejudiced in favor of the bill; such things do not advance it

greatly in my judgment as being a correct measure. In other words, Mr. Speaker, these corporations who are satisfied with the bill have a record of habitual defiance of law from the hour of their creation up to the present time, or at least up to the time that they were converted to the belief that this is a proper measure—from first to last their record and their career in this country has been one of flagrant and bold insubordination to law; has been one of domination of legitimate authority; one of meretricious control of Legislatures, unlawful interference with popular elections, constant evasion of their obligations, and a persistent intrusion even, in some instances, within the sacred precincts of the forum. And this, sir, has been carried so far as to now constitute a reproach to American civilization and a menace to constitutional government.

Mr. LONG. Will the gentleman specify one instance in which the present administration of the road violates the law?

Mr. HENLEY. I was going to say I would do so with a great deal of pleasure, but I will do it with a great deal of regret (because such a revelation is no pleasure to me) if gentlemen will give me their attention.

Mr. LONG. What does the gentleman refer to? To the Union Pacific?

Mr. HENLEY. I refer to the Union Pacific, the president whereof is Charles Francis Adams.

Mr. LONG. Now will the gentleman specify any instance in which Mr. Adams violates the law?

Mr. HENLEY. Yes; but I can not do it unless the gentleman gives me an opportunity by silence. I must have time to do it in.

Mr. CANNON. Will the gentleman allow me a single suggestion?

Mr. HENLEY. Certainly.

Mr. CANNON. I concede to the gentleman frankly I have not studied this bill as well as I might have done if I had sufficient time. We all have our particular committee work to do. I am in search of light. I have heard the remarks of the gentleman from Ohio [Mr. OUTHWAITE], and I would be glad if the gentleman from California, who has been condemning these roads for general improper action in the past, would state the substantial objections to this bill without reference to the action of the railroads or anybody else in the past, but coming down to the merits of the bill itself, taking the situation as it now is. I wish to say that much before the gentleman continues his remarks.

Mr. HENLEY. I will give to the gentleman from Illinois before I finish what I conceive to be substantial objections, or sufficient objections at all events to impel me to take the action I propose to take. Those objections can not be irrespective of the railroads, however, as the gentleman suggests. It is these corporations, their conduct past and present, that confront us at every turn of this inquiry, and which can not with propriety be ignored in this discussion.

Mr. CANNON. Without reference to the past history of the roads, but looking to the future.

BAD HISTORY OF THE RAILROADS.

Mr. HENLEY. Well, I am going to speak of the past, because, as I said, that is a very pertinent matter of discussion and consideration here. Now, Mr. Speaker, as I have intimated, the fact that this measure is in a degree acceptable to those notorious transgressors of the law does not advance it much in my estimation, but superinduces, in my mind, a very grave suspicion that there is something wrong about it—something, of course, that the Committee on Pacific Railroads are unadvised of; otherwise they would not support it. Some time ago I introduced into the House a resolution for the purpose of instituting an investigation by Congress into the affairs of this company in its relations to the Government and into the truth of certain allegations and rumors that had been rife in the country, emanating from very respectable sources, in respect to the internal management, the administration of this company as to its business connection with the Government.

The committee did not report that resolution, but they reported one as a substitute for it. The substitute of the committee provided for a commission to be appointed by the Secretary of the Interior, and which, unlike my resolution, must pass the Senate before it can become operative; but the object of my resolution, which did not require Senatorial action, was to create a Congressional Committee who should be clothed with power to send for persons and papers, to employ railroad experts and accountants, and to find out among other things where every dollar of the income of these companies has gone, from the time of their organization up to the present hour. Here, for instance, is certain indebtedness alleged to be due from the Union Pacific Railroad Company to certain branch lines; now, I think it is an important thing, in connection with legislation upon this subject, that this House should know whether that indebtedness is genuine or not—in other words, whether it is the result of a contract by the Union Pacific Railroad Company with the Union Pacific Railroad Company, as the contract for the construction of the Central Pacific Railroad with the Contract and Finance Company was simply a contract by the directors of that company with the directors of the same company—in other words, a contract by men in one capacity with themselves in another capacity, by means of which the Government has been defrauded out of millions and millions of dollars. And how we can with proper intelligence legislate on this subject without this information I can not see.

INVESTIGATION NECESSARY.

I desired to know, and I think the people of this country also wanted to know, for example, how many persons in the city of Washington are in the employ of these Pacific railroad companies to-day, and what duties such employés perform, and how much they are paid. I see men around these corridors who have been pointed out to me as being employés of these corporations, and my resolution might elicit some information as to the character of duties or work these men are engaged in, and how much, if any, of the incomes of these corporations is diverted to illegitimate purposes. Mr. Charles Francis Adams himself has said—and I leave the distinguished gentleman from Massachusetts [Mr. LONG], who interrogated me a while ago, to say if that constitutes fair dealing with the Government—Mr. Charles Francis Adams himself has said, as I understand, that the free-pass list of the Union Pacific Railroad Company costs the company $2,000 a day. Is that honesty on the part of the management of this company? And this is the smallest accusation I shall make against this corporation.

Mr. LONG. What is the authority for the gentleman's statement?

Mr. HENLEY. I have seen it stated repeatedly.

Mr. LONG. Where?

Mr. HENLEY. I do not know but that there are gentlemen upon this floor who have more and better information than I have.

Mr. LONG. Where has the gentleman seen it stated repeatedly?

Mr. HENLEY. In newspapers and in periodicals. It is a part of the current history of the country of which no man ought to plead ignorance.

Mr. LONG. Will the gentleman name one newspaper or one periodical on the authority of which he makes the statement?

Mr. HENLEY. Yes, sir; I will furnish the gentleman with an abundance of them. The New York World is one paper in which I have seen the statement, and I can give the gentleman a good many more; there will be no trouble about that. But does the gentleman deny its truth?

Mr. LONG. I do deny its truth.

Mr. HENLEY. On what authority?

Mr. LONG. On the same authority on which the gentleman states it—that it is mere newspaper rumor.

Mr. HENLEY. Will you name one paper that says it is not true? [Laughter.]

Mr. LONG. If the gentleman will allow me——

Mr. HENLEY. I am allowing you, but you do not respond; name a paper.

Mr. LONG. If the gentleman will allow me, I will say to the House that Mr. Adams courts the very fullest investigation. He knows perfectly well who the vampires and manipulators are from whom come these rumors and roorbachs that are designed for the purpose of manipulating this stock in the stock market. His administration has been investigated by the national directors and by the Railroad Commissioner, and he (Mr. Adams) implores Congress to make a thorough, searching, final investigation. All the facts are known in regard to his administration; nothing is secret. Mr. Adams is a constituent of mine, and I want to say to the House that he asks, courts, challenges, urges the fullest investigation that can be made.

Mr. HENLEY. I asked the gentleman from Massachusetts for the name of some newspaper which denied the statement, and the House hears the answer.

Mr. LONG. I deny it on the authority of Mr. Adams.

Mr. HENLEY. On the authority of Mr. Adams, the malefactor in the case if he is guilty—the gentleman denies it on that authority. In other words, Mr. Adams, like others indicted for crime, enters a plea of not guilty. I knew he would. I would if I were in his place. Guilty or innocent, his plea would be the same.

Mr. Speaker, I was speaking of the function of the committee that was sought to be created by the resolution that I introduced, and I mentioned these things as matters of rumor. The gentleman from Massachusetts [Mr. LONG] wants me to indicate where the rumors originated and who should be held responsible for them. Sir, the purpose of the resolution—and this the gentleman seems to lose sight of—the purpose of the resolution was to ascertain whether these multitudinous rumors affecting the integrity of this company and its agents were true or not and finally set the matter at rest. The gentleman from Massachusetts rises here and tells the House that Mr. Charles Francis Adams courts the fullest investigation.

Mr. Speaker, he has a strange way of inviting that investigation for a man who claims to be innocent. I ask if he ever came before the Committee on Pacific Railroads and asked that the committee sought to be created by my resolution should be created. I was before the committee a number of times and never saw him. On the contrary, the understanding has been, so far as the information reaches me, and from newspaper sources and otherwise, that they were not only opposed to that investigation, but were fighting with every agency they had at hand. And if Charles Francis Adams were a wronged and an injured man by these innuendoes, and direct accusations in some instances, if he were

an innocent man, as the gentleman from Massachusetts [Mr. LONG] claims him to be, what would he have done? A resolution was introduced by myself in Congress. It is as follows:

Whereas the Union Pacific Railroad Company was prohibited by the act amendatory of the act incorporating said Union Pacific Company, approved July 2, 1864, from issuing stock unless the same was fully paid for at its par value in money; and

Whereas it is alleged that in flagrant violation of said law the said Union Pacific Company has issued six hundred and ten thousand shares of stock of the par value of $100 per share, equal to $61,000,000, and only twenty-one hundred and eighty shares of said stock was paid for in money, and only $218,000 in money has been received on account of sails of said stock, and certain illegal issues of income, land-grant, and sinking-fund bonds have been made by said company, and, in utter defiance of the law and in fraud of the rights of the Government, said Union Pacific Company has paid out of its earnings more than $52,000,000 in dividends and interest to the holders of said fraudulent stock and bonds, which was enough to have paid its entire indebtedness to the Government; and

Whereas it is alleged that said company, in defiance of the law and in disregard of the rights of the Government, has built and equipped out of its earnings twenty-nine branch roads, and has caused to be issued to itself for said construction and equipment bonds of said branch roads of small value, and stock of said branch roads to the nominal value of $40,000,000, but which stock is wholly without value; and

Whereas it is alleged that $16,000,000 of the said bonds are now pledged by said company to various banks and moneyed syndicates for loan of money, while no provision whatever has been made by said Union Pacific Compay for the payment of its first-mortgage bonds, which bonds amount to $34,000,000, and have a preference over the debt due by said Union Pacific Company to the Government; and

Whereas, by its own reports, the gross earnings of said Union Pacific Company have diminished $3,000,000 in one year, while its expenditures have greatly increased, while at the same time the expense account of twenty-five of their twenty-nine branch roads has been greatly diminished and their earnings greatly increased; and

Whereas it is alleged that said branch roads are supported and fostered chiefly by the business of the main line of the Union Pacific Railroad Company, which pays to said branch lines a bonus in constructive mileage of 1½, 1½, and 2 cents per mile over and above the regular rate of transportation charged by said line, which rates of constructive mileage, amounting to immense sums of money, are paid out of the earnings of said Union Pacific Company to their branch roads in order to decrease the exhibit of net earnings, and thus decrease the 25 percentage which, under the Thurman act, is due to the Treasury of the United States, which is a violation and evasion of the Thurman act and in fraud of the rights of the Government; and

Whereas it is but just and proper that the railroad built by Government aid should be compelled to be just to the Government, and every abuse in their administration should be corrected, and the just dues of the Government against them be ascertained and collected, and the right and interest of the Government in and to the said branch roads should be correctly ascertained and enforced: Now, therefore,

Be it resolved, That the Speaker of the House is hereby directed to appoint, from the House a select committee of five, which is hereby instructed, with the least possible delay, to institute a rigid and thorough investigation of the books, accounts, system of bookkeeping, and business methods of the Union Pacific Railroad Company; into the manner and methods pursued which resulted in the consolidation of the Kansas Pacific and the Denver Pacific Railroads with said Union Pacific system, and what was paid for said consolidation, and to whom paid, and by what authority two hundred and forty thousand shares of the stock of said Union Pacific Company was issued at the time of and soon after said consolidation, and to whom said stock was issued and what was paid therefor; how much stock in all has been issued by said Union Pacific Company, and how much actual cash money has been paid on account of the issue of said stock; into the manner in which the branch roads of said Union Pacific Company were constructed, who constructed them, and what was paid on account of their construction, who now owns said branch roads and what rights the United States Government has therein; also, the rates of constructive mileage paid by said Union Pacific Company to said branches, how much has been paid out on said account, to whom, and by whom paid, and what proportion thereof is due the Government of the United States; also, to report a plan by which the said company may be compelled to provide for the payment of their first-mortgage bonds, and whether said company has not violated and is not now violating its charter and the acts amendatory thereof, and whether it would be for the interest of the Government that said company should be placed under Government control, with receivers appointed therefor; and also into any and all matters regarding the interest of the Government in said railroads; and for this purpose said committee may, in its discretion, visit such points or places as may be most convenient for the purpose of this investigation, and shall have power to send for persons and papers, administer oaths, employ such expert accountants and stenographers as may be deemed necessary, and make a full and final report to Congress on or before the first Monday of December, 1886, of all matters embraced in this preamble and resolution, or of any abuse of administration on the part of said Union Pacific Railroad Company not mentioned herein that they may deem proper; and the expenses of said investigation shall be paid out of the contingent fund of the House.

There, Mr. Speaker, were a series of allegations which, if true, then Charles Francis Adams and his co-conspirators in these matters should be wearing the striped garb of convicts in some place of penal incarceration instead being free men to-day. We have here these solemn accusations which, if they had been made in respect to the gentleman from Massachusetts [Mr. LONG], or in respect to the gentleman from Texas [Mr. REAGAN] who sits in front of me, or any other man of honor, he would have rushed to the presence of that Pacific Railroad committee and said, "Gentlemen, here are allegations made in the form of a resolution introduced into the House of Representatives of the American Congress affecting the integrity of my company and myself as a man, and I demand these matters shall be investigated."

Mr. HAYDEN. Will the gentleman allow me a moment?
Mr. HENLEY. No, sir.
Mr. HAYDEN. For one moment only.
Mr. HENLEY. No, sir.
Mr. HAYDEN. I should like to say in answer——
Mr. HENLEY. Wait a moment.
Mr. HAYDEN. Only for a moment.
Mr. HENLEY. For what purpose?
Mr. HAYDEN. For the purpose of asking a question.

Mr. HENLEY. I have asked these gentlemen if the Union Pacific Railroad Company appeared before that committee for the purpose of joining with the person who offered this resolution coming from this House in demanding that investigation?

Mr. HAYDEN. Yes; if the gentleman will allow me.

Mr. HENLEY. I ask if that is true; and I will yield for an answer to that question.

Mr. LONG. I will answer.

Mr. HAYDEN. I will answer.

Mr. HENLEY. The gentleman from Massachusetts is not on that committee.

Mr. HAYDEN. I am on the committee, and I should like to answer it.

Mr. HENLEY. Well, answer it.

Mr. HAYDEN. Mr. Adams demands an investigation.

Mr. HENLEY. Why did he not go before the committee and do it?

Mr. HAYDEN. Mr. Adams, after getting the resolution which was introduced by the gentleman from California [Mr. HENLEY], used the following language:

So far as investigation is concerned, your directors invite it, although they think it safe to say there is no corporation in the world the affairs of which during the last sixteen years have been subject to such incessant, searching and wearisome investigation as the affairs of the Union Pacific Railroad Company. The Government has always had five representatives on the board of directors of the company, who have the same access to its books and the same information as to the conduct of its affairs as the directors chosen by the stockholders.

Mr. HENLEY. That is enough.

Mr. HAYDEN. That is the answer of Mr. Adams.

Mr. HENLEY. I decline to yield further, because from the gentleman himself it appears they did not appear before the committee and invite investigation, as honorable men ought to have done.

Mr. RICHARDSON. Permit me to interrupt the gentleman, to say that Mr. Adams did appear before the committee, and it is no violation of the secrets of the committee to say that he did say he would submit to any investigation or to any examination this House in its wisdom might suggest.

Mr. LONG. And other gentlemen concur in that statement.

Mr. RICHARDSON. One word more, if the gentleman will yield to me.

Mr. HENLEY. Yes, sir.

Mr. RICHARDSON. Mr. Adams did not say that he favored an investigation by a commission of experts, nor did he say that he favored one by a committee composed of members of this House, but, as I understood it, he left it entirely to the discretion and wisdom of the House and Congress to make such investigation as it might deem wise in either form.

Mr. HENLEY. That he must do, as a matter of course. He knew he must do that. But the gentleman from Massachusetts insisted that Charles Francis Adams demanded himself, as an injured man, an investigation; and it does not appear that he did. It seems he did appear and did make a statement himself, but that he demanded an investigation or insisted upon it is unknown to me.

Mr. RICHARDSON. I do not want to be put in the wrong by anything that I have said. I did not intend, nor do I undertake, to use the exact language of Mr. Adams. I knew by his manner, and made the statement on that basis, without undertaking to give his language, that he invited an investigation on the part of Congress into his road.

Mr. OUTHWAITE. And the committee have reported a resolution looking to that investigation?

Mr. RICHARDSON. Yes, sir; the committee in its wisdom, or its unwisdom, whichever the gentleman chooses, thought it better to have an examination by a commission of experts. They deem it preferable to an examination conducted by members of Congress; and therefore have instructed a resolution to be prepared and presented providing for a commission of experts to make this very examination contemplated by the resolution offered by my friend from California. The Committee on the Pacific Railroads have instructed me by a unanimous vote to call up that resolution immediately after action shall have been taken upon this present bill.

Mr. DUNN. It is the next resolution reported from the committee.

Mr. HENLEY. As a matter of course the gentleman from Tennessee knows that can not be done except by unanimous consent.

Mr. RICHARDSON. Why not? We have the entire day.

Mr. HANBACK. We have to-day and Tuesday next.

Mr. HENLEY. Why has it not been called up before?

Mr. RICHARDSON. We could not, of course, have taken up both of these together.

Mr. HENLEY. But would it not have been better and more in the order of regular proceeding to have considered the other matter first, to get the information before you act, or initiate a method of getting it? I commend that to the gentleman as a proper system of legislation.

Mr. RICHARDSON. Do you suppose we could have passed that resolution to-day, and got the information we needed in time to pass this bill?

Mr. HENLEY. No, sir; I do not mean that, but you could have passed a resolution thereby formulating a plan by which to obtain the information.

Mr. RICHARDSON. We hoped to get both of these measures through to-day.

Mr. THROCKMORTON. The committee have probably been as active in this measure as the gentleman from California himself.

Mr. HENLEY. Well, I submit to my friend from Texas that I have not been lacking in zeal, and as to who has shown the most activity I leave to others to judge.

It now seems that Mr. Adams sought investigation by telling the committee that it was idle and useless, but that he would submit to it. A wonderful concession to the power of the Government! He sought investigation by arguing that it would come to nothing.

Mr. RICHARDSON. The committee is just as anxious to discover wrong-doing as the gentleman from California himself.

Mr. HENLEY. I do not doubt that, nor do I doubt that Mr. Charles Francis Adams was before the committee and induced some of its members—at all events those who have spoken here to-day—to believe that he was anxious enough for an investigation. But when I have the facts confronting me which I intend to submit to this House, I have no doubt that he did secretly fight an investigation and was anxious to avoid one. That is the position I take.

Mr. LONG. I challenge you to put him to the proof.

Mr. HENLEY. The gentleman from Massachusetts exhibits a great deal of solicitude in respect to the matter now. I did not see this zealous friend who espouses the cause of investigation so warmly now with me in the presence of this railroad committee, saying: My friend is aspersed and maligned, and I demand for him an investigation. I heard nothing of that kind.

And it is the idlest pretense. If Mr. Adams or his company had not desired to shun this inquiry he could have had one without any difficulty.

Mr. HAYDEN. Will you allow me to ask where this resolution came from?

Mr. HENLEY. I can not yield now to the gentleman.

Mr. HAYDEN. I would like to know that.

Mr. HENLEY. Now, I decline to yield further. If I have time before I get through I shall answer, and I hope the gentleman will remind me so I will not forget it.

Mr. HAYDEN. The gentleman need not fear that I will let him forget it.

Mr. HENLEY. I hope you will remind me. Now, sir, here is a brief condensation of some of the history of this company in its business relations to the Government. First, from 1876 to 1884, the Union Pacific Railway Company has paid to the stockholders in dividends over $27,000,000 in defiance of law. I declare here, and this was so adjudicated, that the payment of $27,000,000 was an act of plunder, and was done in defiance of law; and that instead of paying these dividends among the stockholders of the company it should have been appropriated toward the discharge of the indebtedness of the company to these various creditors as well as to the Federal Government, and particularly so as the stock upon which these dividends were paid was illegally issued, no money having been paid thereon, as required by acts of Congress.

Mr. HEWITT. Will the gentleman yield for a question?

Mr. HENLEY. No, sir; I am very apprehensive about the gentleman from New York. He is too talented. [Laughter.]

Mr. HEWITT. I am sorry the gentleman is frightened; I did not know I had made such an impression upon him. It is the first time he has confessed his apprehension.

Mr. HENLEY. It is the first opportunity I have had to confess it; and the first time I have the chance I do it without reservation. [Laughter.]

During this same period, these years from 1876 to 1884, they paid on account of its indebtedness to the Government only $8,587,000, not one-half of the accumulated indebtedness during that period, which had increased at the rate of $800,000 a year or thereabouts. It has sold bonds belonging to the Government on the second mortgage, and from the proceeds redeemed at the rate of 12 per cent. some nine millions of their mortgage bonds not due until 1889.

I will not consume, Mr. Speaker, because there are other gentlemen who want to address the House, any further time in the enumeration of these violations of law on the part of the company, but will ask leave, as intimated heretofore, to print certain statistical matters in relation thereto.

The SPEAKER *pro tempore*. The Chair hears no objection to the request of the gentleman from California.

Mr. HENLEY. Now, Mr. Chairman, I intend to be very candid with the House. I do think—and the idea was intimated by the distinguished gentleman from Iowa [Mr. WEAVER] in a question which he addressed to the gentleman from Ohio [Mr. OUTHWAITE] a short time ago—I do think for myself it is time for the heroic remedy to be applied to this case. Gentlemen shrink in wild affright from the idea of a government proprietorship of a railroad. Well, now, Mr. Chairman, there may be a very Pandora's box of evil and tribulation in that, but I do not believe in it. I know that governments in other parts of the world are proprietors of railroads, and with very great benefit to the people. I am advised the State of Georgia owns a railroad which is so managed that the income from it almost pays the expense of running the State government, or a large part thereof.

Mr. CRISP. If the gentleman permits me, I beg to state to him that his information is very much at fault.

Mr. HENLEY. I am not talking of the reconstruction period, when Bullock was down there.

Mr. CRISP. The State of Georgia owns a railroad, and leases it out for $300,000, which is devoted partly to the support of education. It was found very many years ago when the government of Georgia undertook to run that road itself it was indeed a Pandora's box.

Mr. HENLEY. Well, it leases it for $300,000 per year; that is not bad. That is one way of dealing with it. If I owed my friend from Texas [Mr. THROCKMORTON] a sum of money and I was carrying on a business by means of property on which he had a lien, and if I were squandering the assets and had violated the law, and had shown a disposition to be profligate and improvident, the gentleman would as a matter of course proceed by the interposition of a court of equity and the instrumentality of a receiver, and take charge of my property in order that it might not be wasted or stolen, but be subjected to the payment of honest debts.

That is what any sane man governed by ordinary business considerations would do. And why not pursue some such course in this instance?

GOVERNMENT SHOULD POSSESS OR CONTROL THESE ROADS.

Why not place this property beyond the reach of those who in the past have plundered the Government?

People see, or fancy they see, or assert at all events, that there is some mysterious sorcery, some mighty magic about railroad property and its relations to the Government which should take it out of the ordinary rules that obtain in matters of indebtedness between private individuals. Why is this? Now, I solemnly declare, and I do it with entire confidence, that from the antecedent history of these corporations I do not believe that any law is going to restrain them, I do not believe any law is going to be of any efficacy or of any avail to bring into the coffers of the Government that portion of the revenues of that company which is contemplated by this bill. And I believe, Mr. Speaker, that the only means by which this Government can protect itself to any extent is to take possession of this property through the medium of a receiver and a court of equity. This opinion I express with great deference to the judgment of those differing from me, and with some hesitancy; but at all events of this I am well convinced, namely, that it would be infinitely better to pursue this latter course than to pass a measure like this of doubtful expediency on its face, and which, while its friends claim that it conserves and protects the interests of the Government, yet it has the support of these corporations, which support has in the past never been yielded to an honest measure. This alone, in my estimation, aside from inherent objections, places the measure under the ban of suspicion.

Sir, no one can estimate the power of the myriad instrumentalities that these corporations set in motion to circumvent lawful authority. Laws, ordinances, and constitutions have been but as cobwebs in the pathway of their imperial will. Public officers have been affrighted from their duty by them if honest, and, if not, purchased.

They have trampled on the law in the past, and it seems to be impossible to formulate or place on the statute-book any legal restraint to their rapacity and cunning. For that reason, I think the best thing the Government could do would be to go to work the same as a private individual would dealing with a private individual, take up this property, what there is of it; foreclose, resort to such a remedy as a court of equity might provide; take possession of this property, lease it, if necessary; assume the custodianship of the wreck and the fragments that are left, and see if something can not be realized.

Mr. MILLS. Will my friend from California give me some information? I desire to have information about this. What is the value of all the property—land, road-bed, franchises, everything that is subject to the first and second mortgages? Does the gentleman know?

Mr. HENLEY. I am not prepared to state now with sufficient degree of accuracy to enlighten the gentleman, having, as stated, left my data at home. I will print the information.

Mr. MILLS. This is a business transaction and it seems to me we ought to have possession of all those facts.

Mr. CRISP. I will state to the gentleman from Texas that the Government has no lien on the land grant.

Mr. MILLS. What is the value of the lands unsold?

Mr. CRISP. That should not be estimated in counting the present security of the Government, because the Government has no lien on that.

Mr. MILLS. Could not the Government take control of it by the right it has to amend the act?

Mr. CRISP. Oh, no. It could amend the act in certain particulars, but it could not fix a lien where it did not exist. A lien is a matter of contract.

Mr. MILLS. The charter is a matter of contract, too, unless the Government has reserved the right to amend it.

Mr. HENLEY. Which it has done.

Mr. CRISP. That has all been construed by the Supreme Court; and I submit to the gentleman from Texas there could be found no decision

of any court which would say one of the contracting parties, though it be the Government, could change the time of payment or character of a lien without the consent of the other party.

Mr. HENLEY. Of course it could not impair the obligation of a contract nor create a new one without the consent of parties. But it is also worthy of consideration whether the Government could not institute proceedings whereby a foreclosure of this lien could be had, and if the property is not sufficient to satisfy the first-mortgage lien and that of the Government also, then probably this land grant might be proceeded against as well as other assets of the companies not covered by any lien——

Mr. CRISP. Of course the gentleman understands that any proceeding of that sort would necessarily be deferred until 1898; we, in the mean time, paying out to these companies every year $1,600,000 more, without getting any interest back; because by contract they are entitled to that.

Mr. HENLEY. Now, Mr. Speaker, I have said what I intended to say, and all that I intended to say at present. I do not think this measure ought to pass. I do not think so because I doubt its efficacy to accomplish any useful purpose. It may be that I have miscalculated in this matter; but when I see the chapter in the history of this country that these two corporations have contributed, their intermeddling in politics, their interposition in legislation, their interference in every place they should not be, and their ability, their seeming omnipotence anywhere and everywhere, I have such misgivings as to the binding force, authority, and effect of any law whatever that we may place upon the statute-book to conserve the interests of the Government, that, so far as I am concerned, I shall be constrained to record my vote against this measure. I reserve the remainder of my time.

Mr. WEAVER, of Iowa, was recognized.

Mr. HAYDEN. With the permission of the gentleman from Iowa [Mr. WEAVER] I should like before he proceeds to call the attention of the gentleman from California [Mr. HENLEY] to the question which I put to him a while ago in reference to a certain resolution which he introduced into the House.

Mr. HENLEY. You want that question answered now?

Mr. HAYDEN. I should like to have it answered.

Mr. HENLEY. Mr. Speaker, the gentleman has asked me who it was that drew a certain resolution which I introduced into the House. I asked him to not let me forget that matter and he has complied with my request. What difference does it make who drew that resolution if the allegations contained in it are true?

Mr. HAYDEN. None; only I am anxious to know where it came from.

Mr. HENLEY. Then if it makes no difference that admits the irrelevance of the inquiry. Suppose it was concocted in the penitentiary; suppose the individual who drew it was of the vilest character and inspired by the most infamous motives, yet if the allegations were true——

Mr. HAYDEN. If it was concocted in the penitentiary I have nothing to say. [Laughter.]

Mr. HENLEY. Well, possibly it was. For all I know or care it may have been. I do not know anything about it, nor care anything about it. I do not know who drew it; but I went before the committee and assumed the responsibility of saying upon my honor as a Representative that I believed the statements contained in the resolution to be true, and I say so here now. It makes no difference who drew the resolution, and, with infinite respect to my friend from Massachusetts, I will say to him that there could not be a more idle inquiry than one as to who drew the resolution or as to the motive by which it was inspired. The pertinent thing for him to do was simply to investigate its truth.

Mr. HAYDEN. I thought the gentleman was going to answer my question.

Mr. HENLEY. I say I do not know who drew the resolution. It was placed in my hands, and on reading it over and seeing the facts that were cited in support of the statements made, I could not see how, as an honest man, I could decline to introduce the resolution, and I did introduce it, and have assumed and do assume all responsibility belonging thereto.

Mr. LONG. Will the gentleman state at whose request he introduced it?

Mr. HENLEY. The gentleman is on this floor who placed the resolution in my hands, and if he wishes me to disclose his name, so far as I am concerned, I am perfectly willing to do it. At the same time I say that that is an utterly immaterial question in respect to this matter. I assumed the paternity and authorship of that resolution.

Mr. HAYDEN. If the gentleman will allow me, I will say that I know who gave him the resolution.

Mr. HENLEY. Who was it?

Mr. HAYDEN. It was a distinguished professional philanthropist from New York. Colonel—I shall remember his name in a moment.

Mr. HENLEY. Colonel James?

Mr. HAYDEN. Yes; Colonel James.

Mr. HENLEY. Well, the gentleman does not know quite so much about the matter as I really hoped he did. [Laughter.]

Mr. HAYDEN. Colonel James so testified.

Mr. HENLEY. Colonel James did not so testify. There was one set of resolutions that were introduced in the House and another set which I presented to the committee without introduction; those latter resolutions were given me by Colonel James, of New York.

Mr. HAYDEN. And Colonel James says he would not tell where he got them.

Mr. HENLEY. I do not know anything about that, and I do not care anything about it. It may have been in the interest of stock operations for aught I know or care. All I sought was to ascertain whether these companies had been transgressing the law and squandering the assets of this Government, and it did not matter to me who had prepared the resolutions or what the animus was. What I wanted to know was whether the allegations were true or not. The gentleman from Massachusetts [Mr. HAYDEN] seems to think that his inquiry is pertinent upon the theory that if the man who prepared the resolution was disreputable there should be no inquiry into the truth of the allegations. I presume that even if the gentleman knew they were true, still he thinks no investigation should be made and no step taken because the resolution was prepared by somebody of bad repute.

Mr. HAYDEN. On the contrary, the Committee on Pacific Railroads reported to the House the resolution, which will follow this bill. That shows that they acted upon the matter.

Mr. HENLEY. Very well then; what is all this talk about? It is an idle waste of time.

Mr. HAYDEN. I only wanted to know where the resolution came from.

Mr. HENLEY. And I state that Colonel James gave me the resolution which I presented to the committee, but not the resolution which I introduced into the House. I submitted both to the Committee on Pacific Railroads, and urged them to act upon one or the other. Mr. Speaker, I reserve the remainder of my time.

Mr. HENLEY subsequently submitted the following:

ADAMS'S FLAGRANT OFFENSES.

On the 24th of February, 1886, Mr. Adams appeared before the Committee on Pacific Railroads and made a speech in defense of his company, which, contrasted with his prior utterances on the same subject, constitutes one of the most marvelous pieces of special pleading that ever to my knowledge emanated from any source having the slightest pretension to consistency or truthfulness. His manifest purpose in addressing the committee was, apprehending an investigation, first, to convince the members thereof that any investigation into the affairs of the company would be supererogatory and a mere repetition of what had already been done, and, second, to exercise his persuasive powers upon the proposition that some such measure as the pending one ought to become a law. Let all honest men read and then judge as to the integrity of purpose of this president of a great corporation. In that address he alleges in various ways and with sounding declamation that his company had been ever observant of the law, and says:

I claim for myself a certain degree of responsibility, and, with full appreciation of what I am saying, I challenge any one to point out in the whole record one single case of evasion by the Union Pacific of its obligations or failure to perform its part of the contract with the Government of the United States. * * * It has acted with scrupulous good faith to the Government.

Now, Mr. Speaker, mark my words. With a full appreciation of what I am saying I declare and am ready to prove the following open, bold, and flagrant violations of the law:

First. I charge, and challenge denial, that Charles Francis Adams and his codirectors on the Union Pacific Board have criminally violated the law in issuing without the consent of Congress $5,000,000 of 5 per cent. collateral trust bonds in April, 1883.

Second. I charge, and challenge denial, that the said Adams and said directors have violated the law in paying the dividends of 1883 and 1884 in the teeth of the existence of a gross floating debt of $13,000,000.

Third. I charge, and I challenge denial, that said Adams and directors have criminally violated the law in placing without the consent of Congress the indorsement of the Union Pacific Company on about $15,000,000 of bonds of the Oregon Short Line Company, entailing thereby an annual loss of some $600,000 to the Union Pacific Company.

Fourth. I charge that the said Adams and said directors have deliberately diverted the assets belonging to the Government lien by using them in anticipating, at a premium of 12 per cent., the third-mortgage bonds not due till 1889, while the debt due the Government is annually increasing at the rate of $800,000.

In the name of justice, Mr. Speaker, and common decency, in the name of American civilization, I ask why is it that no criminal proceedings have ever been instituted against these men? Sir, why this solicitude by this corporation to pass this measure? The solution of that question may be found in the fact that the Union Pacific still has $9,000,000 in its land-grant fund and about $13,000,000 in value of lands left, and they proposed, at the last annual meeting of directors in Boston, to anticipate therewith the payment of some twelve millions of fourth-mortgage bonds, selling at 20 per cent. premium and not due till 1894. These bonds are presumed to be largely held by themselves and friends, and have paid regularly 8 per cent. since 1874.

ADAMS'S GROSS INCONSISTENCY.

The following is also from Mr. Adams's statement to the committee:

Success brought competitors into existence. When the Union Pacific was built, it was believed that it would remain almost in perpetuity the only road across the continent. That was seventeen years ago. Four lines now divide the transcontinental traffic. If the Union Pacific had to rely on that traffic alone it would be a bankrupt concern. It is not bankrupt simply because an auxiliary railroad system has been built up, and to-day the 1,600 miles of original main line are the trunk from which spring out more than 3,000 miles of branches. Those 3,000 miles of branches, due to the foresight and energy of the much-abused men who preceded me in the management of the Union Pacific, have developed the country along the original subsidized lines, and it is these branches and not the subsidized lines which are now to carry the Union Pacific through.

* * * * * * *

I have already referred to that auxiliary railroad system which is now the staff and stay of the Union Pacific.

If Mr. Adams had stated that the Union Pacific road was the staff and stay of the auxiliary roads, he would have been nearer the truth. These roads are all subsidized by the Union Pacific upon the basis of a constructive mileage; and every one of them would be in the hands of a receiver to-day but for the subsidy paid them by the Union Pacific, notwithstanding the foresight and energy of the "much-abused" men who preceded Mr. Adams in the management, as will more fully appear hereafter.

Mr. Adams, willfully or otherwise, misrepresents the value of these branch lines. The table annexed hereinafter, and compiled from the Union Pacific reports, shows that these operated roads, aggregating nearly 2,700 miles, earned in 1885 $1,266,947 less than their interest. And if thereto the annual interest on the collateral trust bonds, created for the benefit of these branch lines, be added, the deficiency is increased to $1,724,757. And all this in spite of the fact that the average passenger rate per mile on the branch lines is 4⅛ cents against 2¾ cents on the main line. Every discrimination made in their favor, but they can not earn their interest. Let the friends of Mr. Adams reconcile the figures of the Union Pacific report with his statements if they can. One or the other willfully, deliberately misrepresents.

An investigation by Congress should be made into the manner of building thousands of miles of unprofitable railroad. Why, with a continual deficiency of income from this source, does there exist an unceasing desire to build more? Who, since 1878, have planned and built these roads and profited by them? Have they been the directors personally or as a construction company who have contracted with themselves as Union Pacific directors, to their profit and the Government's loss?

Sidney Dillon, a railroad builder, the representative of Jay Gould, ex-president of the Union Pacific, is still the president of eight proprietary lines. How many more sinecures are there, and who hold them?

While upon this subject it will be well to show what Mr. Adams said about some of the men whom he now says are "much-abused." Several years ago he made the relations between the Credit Mobilier to the Union Pacific the subject of careful investigation, and gave the following account of them:

The Union Pacific was built by an organization known as the Credit Mobilier, which received for so doing all the unissued stock, the proceeds of the bonds sold, the Government bonds, and the earnings of the road; in fact all its available assets. Its profits were reported to have been enormous, and they made the fortunes of many, and perhaps of most, of those connected with it. Who then constituted the Credit Mobilier? It was but another name for the Pacific Railroad ring. The members of it were in Congress; they were trustees for the bondholders; they were directors; they were stockholders; they were contractors; in Washington they voted the subsidies, in New York they received them. Upon the plains they expended them, and in the Credit Mobilier they divided them. Ever-shifting characters, they were ubiquitous; now engineering a bill, now a bridge. They received money into one hand as a corporation, they paid it into the other as a contractor. As stockholders, they owned the road; as mortgagees, they had a lien upon it; as directors, they contracted for its construction; and as members of the Credit Mobilier, they built it. What is the community to pay for it? The line from Chicago to New York represents now but $60,000 to the mile, as the result of many years of inflation, while the line between Omaha and San Francisco begins life with the cost of $115,000 per mile. It would be safe to say that this road cost considerably less than one-half this sum—the difference in the price paid for every vicious element of railroad construction and management, costly construction entailing future taxation on trade, tens of millions of fictitious capital, a road built on the sale of its bonds and with the aid of subsidies, every element of real outlay recklessly exaggerated, and the whole of it some future day to make itself felt as a burden on the trade which it is to create.

According to the Wilson committee, its frauds and evasions of the provisions of its charter; its issue of vast amounts of stock without the payment of any money thereon; its dividends by means of the Credit Mobilier of money raised from the sale of subsidy and first-mortgage bonds and of the bonds themselves; its bribery of a Government director to certify to the completion of a section of the road in advance of its completion; it bribery of Congress in order to secure the passage of the act of 1864; its tortuous methods for the purpose of concealing its frauds, and by which a great many were effectually concealed, fully justified, in the opinion of the committee, the abrogation of the charter of the company. As a part of these frauds, and supplementing them, were Mr. Ames's briberies of members of Congress to stand by him provided these frauds should be inquired into or the company be interfered with, and for which a committee of the House of Representatives, of which he was a member, unanimously recommended his expulsion from it. History does not furnish a similar example of bad faith, avarice, and turpitude. The windup of all was that the charter of the company was not repealed, although the Wilson committee asserted unanimously that there were adequate grounds therefor, from the frauds committed by the company.

UNDER GOULD'S CONTROL.

From the time of his election as director there has been but one power in Union Pacific whenever it was for his interest to exert that power, and from that time all the leading officers of the company were the facile instruments of his will. Should any restlessness show itself on the part of any of the old directors it was enough for Gould to hint at the possibility of a new parallel line. Possessed of supreme power, it was his policy, in view of ulterior objects, to use it leniently and with deference to the wishes and feelings of others, his power being no less supreme from being usually held in reserve. At the same time he flattered them by taking most of the leading directors of the Union Pacific into the direction of some twenty companies which he controlled, including the Western Union Telegraph Company, and gratified their cupidity by occasionally throwing to them a portion of his spoils. Gould entered the Union Pacific with a majority of its stock in his name or subject to his control. His purpose was to get two or three times the price at which he purchased it. This could only be effected by compelling the company to declare dividends, and he forced it to do so, beginning early in 1875, the rate for that year being 6 per cent.

The foregoing blistering denunciation by Mr. Adams was said in the exercise of an independent, untrammeled judgment, giving to the public full and authentic information upon a subject of absorbing interest upon which he had bestowed much labor and time. The spoliations, villainies, and scandals of this company had become so vast and audacious that their repute had extended beyond the confines of our own country and was coextensive with the limits of Christendom. Friends of free government looked with apprehension if not with dismay upon the situation. Corruption, under the malign inspiration of Oakes Ames and his co-conspirators, had penetrated to almost every department of the Government. Now I have given a quotation of what Mr. Adams *then* said concerning these matters. And what does he *now* say?

Wonderful metamorphosis! He steps forward and attempts to unlock the stocks wherein his own judgment and that of mankind had pilloried in everlasting shame Ames and his fellows, and becomes not only the apologist but the eulogist of them. A few years ago, speaking of Ames, he says, "History does not furnish a similar example of bad faith, avarice, and turpitude." Time passes by; no new light is shed upon the matter. On the contrary, everything then stated has since been "graven in the adamant of history."

But changes have taken place. Mr. Adams now comes before a Congressional committee in the capacity of president of and stockholder in the Union Pacific; and lo! the result! Talk about the transmutations of history, and the prodigies of the "tooth of time and razure of oblivion!"

In a few short years, from being "an example of bad faith and turpitude," without precedent in history, Ames becomes and is described by Mr. Adams as being a man of "wonderful energy," who "did his work in a way natural to him;" as being one in whom the "good largely predominated;" and much more to the same effect.

In another part of his address, the malodorous Credit Mobilier, for which a short time ago no epithet was too fierce or objurgatory, now becomes a theme of fragrant reminiscence that comes over his senses—

Like the sweet sound,
That breathes upon a bank of violets,
Stealing and giving odour!

He says, "To the average mind unfamiliar with the subject it represents something vague, terrible, scandalous. It has become a mere cant name. In point of fact, it was a mere ordinary piece of financial machinery through which the work of building a railroad was done."

And this is the man who only a few years since lashed himself into a virtuous fury over the iniquities of this same Credit Mobilier, and by pen and tongue make this continent ring with his merciless, unsparing denunciation.

He says, "The good largely predominates in Oakes Ames." The casuist and the moral philosopher will strike an insoluble problem in the attempt to say what predominates in Charles Francis Adams. He apparently expects his latest utterances to consign to oblivion all prior statements. He suggests an aspect of tergiversation and smug respectability for which neither history nor fiction can furnish a prototype or parallel.

Again, in the same address, he says:

The bond matures. At its maturity we owe the Government over $50,000,000. That we can pay the Government $50,000,000 down on the day the bond matures is out of the question. We wish to renew a part of it. In the renewal we are prepared to give the Government as security everything we own in the world. We are prepared to give it not only the original security but the additional security of that entire auxiliary system which we have built up. In return, we ask the Government to treat us, not as a usurer, but as a partner.

In the first place it has been shown already and will be hereafter that the new securities proposed to be given are worthless, and that the securities of the branch roads are owned by the officers of the Pacific railroads as individuals. Undoubtedly if the extension bill is passed prompt payments will be made under it for a time, but only until the branch lines can be made self-sustaining.

MALADMINISTRATION.

Another thing I call the attention of the House to—illustrating the rare business capacity with which the management has been conducted: This company, not content with prior ventures in constructing hundreds of miles of railroad, propose, it seems, to build 600 miles more; or, to put it more correctly, some one selected by it will build and the Union Pacific will then take the road, as has been done heretofore. To show the probable outcome of this scheme I beg to submit an analysis of the branch lines and their operations during the year 1884, which I take from their own report. I commend to the country the prayerful study of the following table.

Table showing earnings of branch lines of Union Pacific Railroad Company for the year 1885.

	Miles.	Surplus over interest.	Deficiency to meet interest.
Colorado Central Railroad Company	327		$36,586
Denver and Boulder Valley Railroad Company	27		19,100
Denver South Park Railroad Company	320		321,000
Echo and Park City	32		15,200
Georgetown, Breckenridge and Leadville	8		19,740
Golden Boulder and Caribou	6		3,063
Greeley and Salt Lake	54		82,659
Junction City	88		14,664
Kansas Central	168		127,455
Laramie and North Park			2,406
Lawrence and Emporia	31		50,199
Montana Valley		$13,015	
Omaha and Republican Valley	237		117,375
Omaha, Niobrara and Black Hills	115		50,504
Oregon Short Line	610		336,100
Salina and Southwestern	36		13,268
Salt Lake and Western	58		40,979
Solomon Railroad	57	4,224	
Utah and Northern	462		16,649
	2,636	17,239	1,266,947

The foregoing table shows that in 1885 two railroads of 57 miles earned $17,000 more than interest while seventeen railroads of 2,579 miles earned $1,267,000 less than their interest, or a net loss of the latter amount to the Union Pacific in operating its branch lines.

This is a sad revelation of business incapacity or knavery. Now, if this company were honest in its professions, and in good faith intended to respond to its obligations, why does it not turn over as collateral to the Government the $9,000,000 of the land-grant fund and the proceeds of its future sales of land, which may amount to about $13,000,000 more? That would give evidence to a skeptical public of a quickened conscience on the part of these officials and would sound like business.

These are the much-vaunted securities fully enumerated in the Pacific Railroad Committee's report, pages 9 and 10, and which cost the Union Pacific forty-five millions, and yet do not earn their interest by one and a quarter millions. To what extent do these afford additional security, more especially when all the good bonds of the above even that earn anything are hypothecated, and those that could be turned over to the Government are valueless.

To my mind there seems ample ground for a grave apprehension that this extension is only sought to give this corporation still further opportunity of continuing its former tortuous practices of defrauding the country, and when the Government shall finally come into possession of the road, as I believe under the bill it ultimately will, it will have been stripped of its assets and we will only have a second lien on a roadbed and rails from Omaha to Ogden, upon which there will be a first mortgage of nearly forty millions. One other thing occurs to me. As an instance of the way the directors of the Union Pacific meet the legitimate claims of the Government may be mentioned a claim for mail transportation, just decided by the United States Supreme Court.

In 1884 the Government claimed of the company $2,000,000 for mail transportation. It characteristically met this plain demand of justice by a counter-claim of the same amount. This counter-claim was baseless as decided by the Supreme Court and was only set up to delay for a time at least the payment. These facts came to the knowledge of the Senate Judiciary Committee, and a report by that committee was prepared to President Arthur, stating that the company was evading the discharge of its obligations under the Thurman act. This report was only kept from publication by the payment into the United States Treasury of about $728,000 by the Union Pacific, and the promise to suspend further dividends.

Mr. MILLS, of Texas, has asked me for the value of the road-bed, franchises, lands unsold, &c. I will reply:

The mileage is	1,832
Its average net earnings are about	$9,000,000
Its full interest charges about	6,000,000
Bonds preceding Government lien, about	40,000,000
Interest on same, about	2,500,000
Surplus earnings over interest on first mortgage	3,500,000
It owes the Government	33,539,512
Annual interest on same	2,012,370
Unpaid interest due the Government, including what has been offset by Thurman act	15,167,214
Good securities in land fund, about	8,500,000
Value of unsold lands, about	12,000,000

Here we have a debtor that earns annually $3,500,000, after paying from its net earnings the interest on its first-mortgage bonds, out of which it should pay the annual interest due the Government of $2,012,370. Instead of doing this, it has carefully paid the interests on all subsequent bonds, and allowed the Government interest to drift until balance due for back interest now amounts to $15,167,214, leaving a total due the Government of nearly $49,000,000.

Thus, while the annual payments recommended by this Pacific Railroad Committee only amounts to $1,840,000, the interest on the face of the debt is $2,012,370, while the interest on $49,000,000 is $2,940,000. Moreover, by some new system of arithmetic, this $1,840,000, which does not meet the annual interest alone, is, in the course of seventy years, to pay off both principal and interest.

Mr. Speaker, it has been openly asserted by one of the friends of this bill that the lands of the Union Pacific were not by this bill subject to the Government lien.

As a condition the Government has after the first mortgage a claim to all assets, including lands, and I am not sure that the Government mortgage does not even precede the land bonds as a lien on the lands, yet I know it does precede the sinking-fund bonds, which really have no claim on the lands.

The company has already redeemed the bulk of the outstanding land-grant bonds from the proceeds of the sales of lands, redeemed them at a large premium before maturity, and the directors at their last annual meeting in Boston resolved to use some $9,000,000, now in hands of the land-fund trustees, to anticipate the sinking-fund bonds not due till 1894. These bonds have paid 8 per cent. and sell at 20 per cent. premium, and in reality have no standing as a mortgage lien, being an extension of the income bonds.

Is it right that bonds behind the Government lien should be paid in advance out of assets covered by the second mortgage? Will the committee answer that? Will they tell us why the lands and land funds have been expressly omitted from the additional securities enumerated by this bill as to be turned over to the Government?

What securities does the Union Pacific own that it can turn over to the Government? Why has not one of the committee specified them? I will answer for them. They can not do it. The Union Pacific owns no securities that are valuable that are not already hypothecated. The committee has been deceived and misled. I defy them to name any such securities. The hired attorney of the Union Pacific road, when he testified that the road held thirty-odd million dollars of stock and bonds, knew that all the good bonds, some $12,000,000, were hypothecated to secure the collateral-trust bonds.

Of what value is the $6,058,000 worth of Oregon Short Line Railroad stock, that cost the Union Pacific $605, when that road falls short of earning its interest annually by $500,000, and in February, 1885, earned $6 less than operating expenses? Or of what value is the $4,816,400 worth of Utah and Northern stock, that does not earn its interest, and cost only $675,000?

Gentlemen of the committee, give us a list of these additional securities!

The Union Pacific road seeks an extension for more opportunity to plunder. That road proper is not yet bankrupt; but the branch lines are. They are the suckers that draw from the earnings of the main line, in spite of passenger and freight discrimination in their favor. The statement of their earnings shows that for 1885 some 2,700 miles of branch lines earn one million and one-quarter less than their interest—more than the Government subsidy for that period. Bear in mind also that this deficit in interest has been paid by the Union Pacific Railroad Company promptly to the bondholders of these branch-line bonds; but the Government subsidy has not yet been paid, although six months overdue. This is a specimen of the manner in which this road meets its obligations to the Government. I assert again that not the exactions of the Government but the unprofitableness of the branch lines has reduced the Union Pacific to its present condition. The Union Pacific Railroad proper is rich. Its net earnings in 1880 were $11,730,536; in 1881, $11,625,038; in 1882, $10,356,966; in 1883, $10,594,658; in 1884, $8,941,909, and in 1885, $8,404,676. Its average interest charges per year, including all taxes, are about $6,000,000, leaving an average of $3,000,000 per year to meet Government requirements and for stockholders. It has, besides this profitable business, $9,000,000 in the land fund and $13,000,000 in lands; and instead of specifically turning these good securities to the Government this most upright and respectable management proposes to keep them to continue the policy of redeeming at fabulous premiums bonds not due till 1894, presumably held by their own friends. A fine piece of financiering; anticipating debts at premiums of 20 per cent. not due for ten years, and this while they are borrowing at this very moment in the open markets nearly five millions on their notes, and owe their employés $2,828,000, making preferred creditors of the third and fourth mortgage bondholders, and allowing the Government and their railroad employés to wait.

Oh, most honorable and upright management! By outrageous and unlawful dividends, by corruptly building and indorsing unprofitable railroads, by creating a monopoly that by its outrageous rates defeated the object of the original grant, it has exhausted the patience of the nation. As a creditor, the Government should dictate the terms of an entension, and now while the property is solvent should secure itself, not by running the road, but by simply insisting that the anticipation of bonds not due till 1894 should cease; that the moneys, &c., now held in the land fund and the proceeds of all future land sales should be turned in to the Government as part payment on account. This would secure $22,000,000, or 40 per cent. of the debt, beyond peradventure.

Make void the guarantees of the Oregon Short-Line bonds, and, in fact, let the branch lines be run by their bondholders and not make good

their deficiencies at expense of the Union Pacific; draw up an extension bill with these provisions, with annual payments to the Government of about $1,800,000, and in twenty-five years these payments, with the proceeds of $22,000,000 from lands, &c., will settle in full with the Government, and leave to the stockholders annually 2 per cent., and after payment of the debt leave them a road that can earn its 5 to 7 per cent. honestly and fairly. I prophesy if the present extension bill is passed that the Government will get its semi-annual payments for a few years until all the valuable assets are disposed of, till the road is carried further toward bankruptcy by the operation of these railroad cliques, who saddle it with unprofitable branches. Then, when it is stripped and made bankrupt, the Government with a claim of fifty millions will hold a second lien on road-bed and rails alone from Omaha to Ogden preceded by a first of $40,000,000.

The policy of C. F. Adams, jr., and his predecessors, since 1878, in building these unprofitable branches have ruined the stockholders, and were they wise, they would dismiss him and his fellows and investigate as to who have profited by these constructions, and how colossal fortunes have been amassed by nearly all the railroad managers and directors. I speak advisedly when I say that Mr. Adams deceives both the stockholders and the Government. His professed respectability only makes his false statements more criminal. As I understand the facts and the law, he and his fellow-directors have been guilty of its criminal violation, and my earnest efforts shall be directed to the end that its fullest punishment, both fine and imprisonment, be inflicted upon them. The law is no respecter of persons, and its majesty should be vindicated against its violator, even if a respectable railroad president, as readily as against an humble railroad employé. The shameless immunity from the penalties of their offenses thus far that these men have enjoyed suggests the poet's words:

> Plate sin with gold,
> And the strong lance of justice hurtless breaks,
> Arm it in rags, a pigmy's straw doth pierce it.

I have already stated that the free-list of the Union Pacific amounted to $2,000 a day. The personal representative of C. F. Adams, jr., from Massachusetts has seen fit to question and deny that statement. My authority is Mr. Adams himself given before the Senate Commerce Committee in the Forty-eighth Congress.

Mr. Adams is not a good authority. He claims the branch lines are the principal support of the main line, while the official reports show that seventeen out of nineteen branch roads do not earn their interest, some not even operating expenses, and taken all together fall over one and one-quarter millions in earning their interest charges. Mr. Adams, in a letter of December 8, 1885, to the present Government directors, claims he does not advocate any plan of extension; yet he is found in Washington advocating this measure. He denounces the Thurman act; yet it has produced the Government $10,000,000 since 1878. He says the railroad since its enactment has had no policy; yet the road has built 3,000 miles of branch roads and paid out some twenty millions in dividends to stockholders—evidences of a pretty vigorous policy to enrich the latter by dividends and its directors by railroad construction jobs.

Mr. Adams speaks of the promptness with which the Union Pacific has met its engagements to the Government, and we find it requires two years of litigation to obtain a settlement of nearly $2,000,000 due for mail transportation for 1880 to 1884, and not yet paid. Part due six years ago and not yet paid, with the Thurman act in force! The subsidy due January 1, 1886, $1,200,000, not yet paid, and the Thurman act in force! No wonder the advocates of the Union Pacific are anxious to rush the extension bill through, for section 13 repeals the Thurman act and leaves a wronged Government without redress.

The friends of Mr. Adams must expect that his constant misrepresentations must affect our opinion of his veracity. They must also expect that his constant anxiety to build additional branch lines, thus adding increasing drains on the revenues of the main line, must also lead us to doubt his ability or his integrity.

Let the friends of Mr. Adams examine his statements in the light of the official returns of the road. Let them not emulate the blind confidence of the Marine Bank directors in the respectability of their president, who only awoke to find the bank ruined, their president in prison, and themselves barely escaping the latter fate for criminal negligence.

Who are guilty of violating the statute of 1873 and who are participating in the construction of branch railroad lines, which eat the substance of the main line?

This is the same corporation that in 1878 had its notorious president, Jay Gould, occupy a conspicuous seat in the Senate to witness, as he had expected, the defeat of the Thurman bill.

Mr. Speaker, I shall now conclude. It is pertinent for me to drop one word of admonition to this House, and particularly to my Democratic friends. A contest is now impending in this country, the possible result of which can not be contemplated without a shudder of apprehension by every patriot in the land. That conflict is between constitutional government upheld by the people on the one side and the malign power of monopoly on the other. Long we have had premonitions of it—but to-day the signs of the times dissipate doubt—it is now with us, and ever watchful constituencies have their eyes upon us. In my judgment the passage of this bill will be received as another evidence of the invincibility of corporate power in these Halls, and this I say without in the smallest degree impugning the honesty of purpose of those supporting it. I think the most interesting and instructive chapter of our political history is that relating to the contest of the dauntless Jackson in 1836 with the powers of monopoly. It is something I love to dwell upon. It was then that Jackson aroused the people to their danger in a message that rang like the pealing notes of a clarion from end to end of the continent.

In terms that penetrated like arrow from bow, that clove their way through sham defense and sophistry and every intervening objection to the very heart of the people, he told them that their dearest rights and liberties were menaced by the great monopolistic power of the day—the United States Bank. The bank had a capital of $35,000,000 and controlled an indebtedness of $70,000,000.

If thirty-five millions affrighted with their power the heroic soul of the intrepid Jackson what shall we say of the danger from the hundreds of millions of capital represented by the Pacific Railroads and their tens of thousands of employés and agents?

Mr. Speaker, this bill ought not to pass.

Civil Service Rules.

SPEECH

OF

HON. WILLIAM WALLACE BROWN,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, June 12, 1886,

On the bill (H. R. 8974) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1887, and for other purposes.

Mr. BROWN, of Pennsylvania, said:

Mr. CHAIRMAN: The pending bill is replete with surprises. Nothing in it is to me a greater surprise than the proviso to the appropriation for the Civil Service Commission. To those only moderately enthusiastic over civil-service reform there is something startling in it; but to such an one as George William Curtis—assuming that he believes his own utterances—there must be in it a revelation. It is the most disingenuous indirection yet appearing among the assaults of the Democracy upon the civil-service law. Though the provision lacks the courage of a repealing clause it proclaims a purpose to nullify the law. It reads as follows:

> *Provided*, That this appropriation shall be available only when the rules of the Civil Service Commission are so framed as that the names of all applicants for official appointment from any one State, found duly qualified on examination and without regard to age, shall be sent to the head of a Department or other officer charged with making an appointment.

From this large number of course it will not be difficult to select Democrats enough to fill all vacancies and a non-partisan civil service will remain only in the imagination of the Mugwump.

By the provisions of section 1753 of the Revised Statutes, "the President is authorized to prescribe such *rules* and regulations for the admission of persons into the civil service of the United States," &c. There is no authority given anywhere in the law that charges the civil-service commissioners with the duty of making rules. They are made and framed and changed by the President, and by the President only. By the second section of the act of January 13, 1883, which defines the duties of the commissioners, it is provided "that they are to aid the President, *as he may request*, in preparing suitable rules," but nowhere are they charged with the power to make such rules, or even assist in making them unless requested so to do by the President. The duty and the power, therefore, of making the civil-service rules are lodged in the President. And yet, sir, this provision, in violation of the rules of the House, and in keeping with the manifest purposes of its majority to nullify the civil-service rules, declares that unless the commissioners "change the rules" they must starve. This, sir, is not even honorable coercion. If the proviso had been attached as a condition-precedent to the payment of the President's salary the coercion would have had the virtue of directness. When, however, it is aimed at the commissioners, it adds to the offense of coercion that of deception. It is made manifest by this plan that the Democracy has not the courage to attack the President of the United States, but musters the valor to charge upon his civil-service commissioners.

Only one gentleman on the other side has had the boldness to name the person intended to be snubbed by this proviso. I need not say that that gentleman is my colleague, and I need not tell which of my colleagues. He is well known to the House and the country, and was aptly described by my friend from Ohio [Mr. GROSVENOR] "as the leader

of one of the antagonistic branches of the majority branch of the House [laughter], and the gentleman upon whom we on this side of the House rely to prevent the other side of the House from committing any mischief in the country." [Laughter.] This gentleman, so well described, comes boldly into this discussion and in vigorous English says:

I say that the power of legislation rests here; that the one man to whom I have referred has undertaken to legislate and to deprive Congress of that power which should be lodged only here. I speak with deliberation, and I want the Executive of this Government to hear what I have to say on this subject. [Applause.] * * * I affirm that the representatives of the people have been deceived and cheated, have been deprived of rights which * * * they ought to have defended in behalf of the people who sent them here as their representatives.

My colleague [Mr. RANDALL] did not, it will be seen, charge the President with being a usurper, but such he is if he has invaded legislative functions. For my part I hesitate not to say the President has not overreached his duty in this regard. To do less than he has done would be to neglect the constitutional requirements of his office. He has the power under the law to change these rules just as it is intimated they should be changed in this proviso. Because he has not seen fit so to change them it is here proposed to strip him of his discretion. I have no doubt my colleague thinks the President has undertaken to do what he expected he would not do when he stumped the country in his behalf. It is, no doubt, disappointing to him, for he was estimating results from the ordinary Democratic standpoint. It was doubtless in his expectation that the President did not mean what he said, and that, true to the general expectation of the hungry Democracy, he would manipulate the civil-service law in such a way as to be no let to any Democratic expectant of an appointment. It is now apparent that the President means to keep faith with the people. Hence the irrepressible conflict between the Executive, the Higginses, and the House of Representatives.

It is my opinion that in this fight the House and Higgins will come out ahead; not probably through the operation of the proviso under consideration, because it is not likely to keep its place in the appropriation bill, but by pushing their friends into places without even a change of civil-service rules. If under the rules as at present constructed it is possible to procure out of seventy-five appointments seventy-two of the political friends of the head of a Department, I think by the end of another year he will be able to stretch the rules enough to get through the other three. Slowly but surely the power to hold in check the oncoming tide is giving way, and the President must either "fall in with the procession" or go into history as a President without a party.

Oleomargarine.

SPEECH

OF

HON. ROBERT M. LA FOLLETTE,

OF WISCONSIN.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, June 2, 1886.

The House being in Committee of the Whole, and having under consideration the bill (H. R. 8328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine—

Mr. LA FOLLETTE said:

Mr. CHAIRMAN: I have waited till the close of this discussion hoping that gentlemen whose eminent abilities and long service give them the prerogative to instruct us on constitutional questions would present to this body fully their views and the authorities upon those questions, to the end that we should be aided in our work here and that the same should become a part of the record of this legislation.

It has been from the first maintained by the enemies and apparently conceded by the friends of this measure that it must masquerade through the House as a bill to raise revenue, and that no other constitutional defense can be found for it.

I have noticed that those who favor a tax so high as to practically prohibit the manufacture of oleomargarine, as well as those who favor one so low as to barely recompense the Government for its supervision, although in either case no revenue could possibly be collected, have, when pressed by the sharp questioning of the gentleman from Georgia [Mr. HAMMOND], been driven to take refuge behind the lines of the bill. When asked if either a prohibitory tax or one just paying the collecting would yield revenue, of course answer is made that it would not. When asked if we need an increase in revenue at this time, answer is made that we do not. When asked whether it is a proper use of constitutional power to levy a tax when revenue is not needed, answer is made that it is not. Then, driven to extremes, it is said that "this appears to be a revenue bill, that it will go out as a revenue bill, that it will have to be interpreted as a revenue tax, and that the motives of members can not be questioned."

While this may answer the forms of lawful legislation, it is nevertheless a pretty severe strain on the conscience. And, sir, if there is any other constitutional warrant which primarily may move in laying a tax other than the naked purpose to raise revenue it is important that it be asserted in this discussion and with any authority supporting it made a part of the history of this proceeding.

It has to me seemed singular that the arguments made against this measure, and in no instance disguised, should not have renewed the contest along the line dividing protection and a tariff for revenue only; but the friends of the American system have apparently seen in this issue no call for application of the principles to which they are committed. And yet all the arguments which have been advanced against the constitutionality of this bill during the discussion are the same that have always been made against protective and prohibitory duties.

The gentleman from Georgia [Mr. HAMMOND] cited as one of the principal authorities supporting his view of the unconstitutionality of this measure a portion of Mr. Webster's speech against the tariff, delivered at Faneuil Hall in 1820, long before he changed his views on that subject; and the argument of the distinguished chairman of the Judiciary Committee [Mr. TUCKER] in his speech against this bill a few days ago was exactly in line with that which has always been advanced against protective and prohibitory duties.

Compare the summation of the argument against this use of the taxing power which Mr. Story gives in section 963 of his work on the Constitution, as the views of the strict constructionist, with that of the gentleman from Virginia in the speech referred to. The one says, "The power to lay taxes is a power exclusively given to raise revenue;" the other says, "Congress has the power to lay the tax on oleomargarine" (but for what purpose?) "to raise revenue." The one says, "When revenue is wanted for constitutional purposes the power to lay taxes may be applied; but when revenue is not wanted it is not a proper means for any constitutional end;" the other says, "Can you use that as a weapon to destroy some industry that is not within your power, merely because you have that weapon to use, for the purpose of raising revenue?" Both would concede that incidental benefits might lawfully go with the tax, but both would contend that the right to lay the tax could never be exercised for any other purpose than to raise revenue, no matter how much that purpose might be for the common defense and general welfare.

And so I say that the argument offered here to show the unconstitutionality of this bill is the argument which has always been made when the use of the taxing power was employed primarily for purposes other than revenue. In applying to this question the same reasoning on which rests the constitutional authority for all protective tariff, and thus invoking at least half of the great names of history to its support, I have the sanction of high constitutional authority. Mr. Story, as I have quoted, says in his chapter on the "Power of Congress to tax," that though the argument which he gives for and against the constitutional authority to tax for other purposes than to raise revenue is given as applied to the protection of manufactures, still, as the learned author himself says, "the argument is equally applicable to all other cases when revenue is not the object."

If it be true, then, that we do not at this time need to increase our revenues, and if it be likewise true that the primary object of this bill be not to gather revenue, the question addressed to the legislative conscience is, Has Congress the authority to tax primarily for purposes other than revenue?

I turn directly to section 964, Story on the Constitution, and though instead of asserting dogmatically his own views on this controverted question he gives the best reasoning upon both sides, I think no lawyer on this floor can read it all without coming to the conclusion that the opinion of the able commentator himself was that the power there given to tax can be exercised in any way for the common good.

Mr. HAMMOND. That is, on the commerce clause.

Mr. LA FOLLETTE. No, sir; it is not on the commerce clause. I am reading from chapter 14, the title of which is "Taxes," and which is devoted exclusively to the consideration of the clause:

Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

The learned commentator devotes most of this chapter to the consideration of the question to which we seek an answer. Has Congress the power to tax for purposes other than revenue? Admonishing us not to commit the fallacy of the gentlemen who oppose this bill and assume the very point which must be proved—that is, that the power to lay taxes is limited to revenue only—he says:

It will not do to assume that the clause was intended solely for the purpose of raising revenue, and then argue, that being so, the power can not be constitutionally applied to any other purposes. The very point in controversy is whether it is restricted to purposes of revenue. That must be proved and can not be assumed as the basis of reasoning.

The language of the Constitution is: "Congress shall have power to lay and collect taxes, duties, imposts, and excises." If the clause had stopped here and remained in this absolute form, there could not have been the slightest doubt on the subject. The absolute power to lay taxes includes the power in every form in which it may be used, and for every purpose to which the legislature may choose to apply it. This results from the very nature of such an unrestricted power. *A fortiori*, it might be applied by Congress to purposes for which nations have been accustomed to apply it. Now, nothing is more clear, from the

history of commercial nations, than the fact that the taxing power is often, very often, applied for other purposes than revenue.

It is often applied as a regulation of commerce. It is often applied as a virtual prohibition upon the importation of particular articles, for the encouragement and protection of domestic products and industry; for the support of agriculture, commerce, and manufactures; for retaliation upon foreign monopolies and injurious restrictions; for mere purposes of state policy and domestic economy; sometimes to banish a noxious article of consumption; sometimes as a bounty upon an infant manufacture, or agricultural product; sometimes as a temporary restraint of trade; sometimes as a suppression of particular employments; sometimes as a prerogative power to destroy competition and secure a monopoly to the Government!

If, then, the power to lay taxes, being general, may embrace and in the practice of nations does embrace all these objects, either separately or in combination, upon what foundation does the argument rest which assumes one object only, to the exclusion of all the rest; which insists, in effect, that because revenue may be one object, therefore it is the sole object of the power; which assumes its own construction to be correct because it suits its own theory, and denies the same right to others entertaining a different theory?

Mr. Story nowhere lays it down that the power to tax is general, but he says the limitations are found in the same clause of the Constitution. The exact extent of this limitation as construed by the commentator, in the language of section 922, where he sums up his conclusions on the proper grammatical construction of this clause, is as follows:

A power to lay taxes for any purposes whatsoever is a general power; a power to lay taxes for certain specified purposes is a limited power; a power to lay taxes for the common defense and general welfare of the United States is not in common sense a general power. It is limited to those objects. It can not constitutionally transcend them. If the defense proposed by a tax be not the common defense of the United States, if the welfare be not general, but special or local, as contradistinguished from national, it is not within the scope of the Constitution. If the tax be not proposed for the common defense or general welfare, but for other objects, wholly extraneous (as, for instance, for propagating Mahometism among the Turks or giving aids and subsidies to a foreign nation to build palaces for its kings or erect monuments to its heroes), it would be wholly indefensible upon constitutional principles.

In other words, the reading which he says seems supported by the best reasoning, and that which he maintains throughout his commentaries, is that—

Congress shall have power to lay and collect taxes, duties, imposts, and excises [in order] to pay the debts, and to provide for the common defense and general welfare.

And then continuing the reasoning says:

Is raising revenue the only proper mode to provide for the common defense and general welfare? May not the general welfare, in the judgment of Congress, be, in given circumstances, as well provided for, nay, better provided for, by prohibitory duties, or by encouragements to domestic industry of all sorts?

If the common defense or general welfare can be promoted by laying taxes in any other manner than for revenue, who is at liberty to say that Congress can not constitutionally exercise the power for such a purpose? No one has the right to say that the common defense and general welfare can never be promoted by laying taxes except for revenue.

[Here the hammer fell.]

Mr. TUCKER. If I can be recognized I will yield my time to the gentleman from Wisconsin [Mr. LA FOLLETTE].

Mr. LA FOLLETTE. I thank the gentleman.

Mr. Chairman, in further support of the view that Congress has the constitutional right to tax for purposes other than revenue, I would call the attention of the House to the following words, found in an exhaustive report from the Committee on Manufactures, made May 23, 1832:

To pay the debts of the United States was the first of the objects for which by the Constitution of the United States the power to lay and collect taxes, duties, imposts, and excises was conferred upon Congress; to provide for the common defense and general welfare was the second object; and these expressions, broad and comprehensive in their import, far from being without meaning in the intention of the founders of the Constitution, embraced the great purposes for which the Constitution itself was formed. They are introduced in that solemn preamble, by which the whole people of the United States, speaking in the first person, "We, the people of the United States," announce the great purposes for which they do ordain and establish this Constitution; they are emphatically repeated in the eighth section of the first article, containing the grants to Congress of power; and they are not only grants of power but trusts to be executed, duties to be discharged for the common defense and general welfare of the Union; to provide for that common defense and general welfare were obligations imposed upon the organized body upon whom the power was conferred of laying and collecting taxes, duties, imposts, and excises for effecting the purpose—obligations not less imperious than that of paying the debts of the Union. To provide for the common defense and general welfare is the duty, the irremissible duty of the Congress; the power to levy duties, taxes, imposts, and excises is the means with which they are invested for the execution of the trust. The non-user of the power is a violation of the trust—a violation as culpable as would have been the neglect or refusal to levy taxes for the payment of the public debt. That the intention of the people was to confer the power in great amplitude is apparent not only from the greatness of the purpose to be accomplished and from the generality of the terms in which the power is conferred, not only from the emphatic repetition of the terms in which the objects of the Constitution are announced in the preamble, but from the anxious use of all the words by which the contributions of taxation can be levied—taxes, duties, imposts, and excises.

The argument which denies the power of Congress to levy duties for the protection of domestic manufactures pronounces unconstitutional two of the first acts by which Congress exercised their powers—acts among the most memorable, among the most beneficent exercises of power which have rendered the Constitution itself a blessing to the nation. It expunges from the Constitution the grant of power to provide for the common defense.

The above language from this able report does not mean, as has been contended by the opponents of this bill, that Congress can levy a tax so as to discriminate against certain articles only when revenue is needed. It means that Congress has constitutional authority to lay a tax for the general welfare even though there be not the slightest necessity for revenue, as is shown by the following paragraph from the same report:

To pay the debts of the nation was an object of more immediate urgency than even that of providing for the common defense. It was to enable the nation itself to do justice to others. To provide for the common defense was the discharge of a debt which the nation owed itself—a debt of wider scope, of deeper import, of more permanent duration. The power of levying money to pay the debts was a power limited by the consummation of its object. The power of contracting further debts was conferred by another grant. The exercise of these powers would, in its nature, be occasional and temporary; that of providing for the common defense was permanent and unceasing, a debt still paying, still to owe, and limited in its duration only by that of the existence of the nation itself. The payment of the debts is about to be consummated. The power of levying duties, taxes, imposts, and excises for that purpose is about to be extinguished in its own fulfillment. There being no debts to be paid, the power of levying taxes for their payment will for the time cease to exist; but that of providing for the common defense will remain, not merely unimpaired but acquiring fresh strength and more impressive weight from the accomplishment of the nation's liberation from debt, swelling and expanding with the increase and expansion of the population and wealth to be defended, and destined to enlarge its dimensions and gather accumulating weight and intensity to a period coeval with the destined existence of the Federal Union.

The author of this report was John Quincy Adams. As might have been expected, it called down upon him the denunciation of those narrow constructionists of the Constitution who assumed then as now that the power to tax for the general welfare meant to tax for revenue only with incidental protection.

The Congressional Librarian informs me that the masterly defense of the position taken in this report, made by Mr. Adams subsequently in a letter to Mr. Speaker Stevenson, July 11, 1832, could only be found after several days' search in an old copy of the National Intelligencer. Such an exhaustive exposition, from such a source, on the construction of this clause of the Constitution ought to be rescued and put in enduring form; and as the whole argument is directly applicable to this discussion I shall append the entire letter to my remarks when published in the RECORD.

Although Mr. Cooley in his work on Constitutional Principles is authority against the use of the taxing power, except for purposes of revenue, we find in his recent work on taxation the following:

On the other hand, one purpose of taxation sometimes is to discourage a business and perhaps to put it out of existence without any idea of protection attending the burden. This has been avowedly the purpose in the case of some Federal taxes.

Mr. STRUBLE. And he cites authorities.

Mr. LA FOLLETTE. Yes, sir; he cites Veazie Bank *vs.* Fenno; but I am bound to say that the opinion of the court in that case, standing alone, may seem scarcely broad enough to warrant Mr. Cooley's general conclusion.

But in the license-tax cases (5 Wall., 462) the court said:

The power of Congress to tax is a very extensive power. It is given in the Constitution with only one exception and only two qualifications. Congress can not tax exports, and it must impose direct taxes by the rule of apportionment and indirect taxes by the rule of uniformity. Thus limited, and thus only, it reaches every subject and may be exercised at discretion.

Chief-Justice Marshall, in McCulloch *vs.* State of Maryland (4 Wheat., 316), says that—

The power to tax involves the power to destroy.

And in Collector *vs.* Day (11 Wall., 113) we find the Supreme Court giving precisely the same construction to the case of Veazie Bank *vs.* Fenno that Mr. Cooley gives on the page from which I have just read in the following language:

But we are referred to the Veazie Bank *vs.* Fenno in support of this power of taxation. That case furnishes a strong illustration of the position taken by the Chief-Justice in McCulloch *vs.* Maryland, namely, "that the power to tax involves the power to destroy.

If, then, the power to tax involves the power to destroy when given without limitations, and if the only limitations fixed by the Constitution is "to pay the debts and provide for the common defense and general welfare," then does it not follow that the tax even when laid to destroy might be for the general welfare, and if so would it not be clearly constitutional?

But it has been said in this discussion that "we can not do indirectly what we have not the authority to do directly, that we have no express authority to prohibit and therefore we can not rightfully use any other power to prohibit." But if we have granted to us a power which by its very nature, as the Supreme Court say, involves the power to destroy—that is, to prohibit—and if, at the same time, there is given with that power an express direction that we shall use it to accomplish the general welfare, and if it manifestly appears that by using this power which involves the right to destroy, if necessary, to obey the mandate to provide for and secure the general welfare, are we then, I ask you, doing anything by an indirection? Are we then acting without authority? Indeed, are we not obeying the Constitution and performing strictly and within its very terms the trust committed to us?

In the practices of this Government from the beginning has not this very construction been, I ask you, adopted in practice? Hamilton in his report on manufactures in 1791, said: "That of duties equivalent to prohibitions there are examples in the laws of the United States," and he advised the further application of the same principle. So, too, Jefferson, in 1793, recommended in his report on commercial restrictions the use of the same power within narrower limits—nevertheless the direct application of the same principle. Of Mr. Jefferson's expressed views John Quincy Adams said:

That Mr. Jefferson had no doubt of the power of Congress to protect the na-

tive interests not only by taxation, but by prohibition, has been amply proved, and particularly by one of his messages to Congress.

Probably in the whole history of this people no more liberal construction was ever made of this clause than that given by President Jefferson in the acquisition of Louisiana. Mr. Adams tells us that upon the passage of the act taking possession of Louisiana and for the government thereof this very paragraph of the Constitution was cited by Mr. Rodney, of Delaware, a distinguished lawyer and statesman, and the ardent friend and supporter of Mr. Jefferson's administration, as containing the grant of power by which Congress was authorized to make the acquisition. In this instance the object of laying a tax of fifteen millions was not primarily to get revenue to meet the expenses of Government, but was first and foremost for the common defense and general welfare.

Here, though accomplished by one and the same act, it became necessary first to create by the power, given in this clause a necessity for revenue, before there could be any right, in the narrow view, to lay the tax; and this power of providing for the common defense and general welfare moved first in the mind of the legislator, drawing after it as secondary that which it is now claimed on the other side must be the prime essential to any legislation before the tax is laid.

If the repeated enactment of laws under the construction of the Constitution contended for by these eminent authorities and their ready acceptance and approval by the people can give interpretation to a particular clause, this question is in that sense *res adjudicata*.

Should it be claimed that protective and prohibitory taxes, such as have been laid from time to time since the adoption of the Constitution, must find their warrant in the clause giving Congress the power to regulate commerce and not in the clause we are considering, then to claim this is to claim that under the power to regulate commerce you have the right by implication to use the taxing power for another object than revenue; for an object which must prevent revenue being derived; but that under the clause giving directly the power to lay taxes you can only lay them to raise revenue. Is that satisfactory reasoning to any gentleman here? Employing the exact language given in Story:

If Congress may, in any or all of these cases (in cases where laid to prohibit), lay taxes, then, as revenue constitutes upon the very basis of reasoning no object of the taxes, is it not clear that the enumerated powers (as the power to regulate commerce) require the power to lay taxes to be more extensively construed than for purposes of revenue? It would be no answer to say that the power of taxation, though in its nature only a power to raise revenue, may be resorted to as an implied power to carry into effect these enumerated powers in any effectual manner. That would be to contend that an express power to lay taxes is not coextensive with an implied power to lay taxes; that when the express power is given it means a power to raise revenue only, but when it is implied it no longer has any regard to this object.

And Mr. Adams, in the letter to Mr. Speaker Stevenson, before referred to, touching the power to lay protective or prohibitory taxes, says:

So far as I am able to judge of the force of language the derivation of the power, from the duty to provide for the common defense and general welfare, is more direct, more immediate, less needing a winding staircase of argumentation to come to the result than its derivation from the power to regulate commerce.

There is, then, gentlemen, both strong reasoning and high authority to say that the power to tax is the power to tax whenever it subserves the general welfare.

But you say this is a dangerous power. Is it then more dangerous, if this power to tax for the general welfare is claimed as a right, than is the power (which gentlemen concede we have) to tax ostensibly for the purpose of raising revenue, but with the real purpose of literally taxing out of existence? In either case the only remedy lies in the relation of the legislator to his constituents. And in adopting the broad language, placing the power to tax in the hands of Congress for the high purpose of the general welfare—the common good—under the wise system of frequent revision by the people through the recurring elections, was not the safest check, guard, and protection provided which human foresight could devise?

Resting on the broad ground that Congress has the power to tax for the general welfare, the objection which has been made that this measure, seeking in part as it does to protect the people from a fraudulent and unwholesome article of food, is an interference with the so-called police power of the States ceases to exist.

Instances are not wanting where the authority of the State and Federal powers overlap each other in accomplishing the objects of government. Because the police powers of the State may be employed within the State to subserve the interests and well-being of its citizens, it has never been held that the General Government could not in the exercise of other and different powers delegated to it accomplish the same results for the whole people.

If Congress in the exercise of some of its lawful powers, such as that to tax or to regulate commerce, happens to accomplish the same results which States might accomplish by the police power, it can not be maintained that it is excluded from using the powers delegated to it by the Constitution. And because it effects the same or better results in dealing at the same time with the same subject by no means makes the exercise of the power it employs a police power. The character of the power is not changed because the result it secures is the same as that which the State attempts to secure by a different power.

To construe the authorities as laying down any other doctrine is entirely to misapprehend their meaning. In the License-tax cases (5 Wall., 462) Chief-Justice Chase says:

That the recognition by the acts of Congress of the power and right of the States to tax, control, or regulate any business carried on within their limits is entirely consistent with an intention on the part of Congress to tax such business for national purposes.

The question then which presents itself to every man here is, Will this measure minister to the general good, to the national welfare? If its benefits are merely local and special and not general, then we have no warrant, no right to enact it into a law. These reasons address themselves to the legislative judgment exclusively, our judgment being ever subject to approval or disapproval, to stand or fall before that great tribunal, the people of this country.

Nearly one-half of all the people of this country are engaged in and directly dependent upon agriculture. The vital forces of every other business, I care not what its character, are drawn from and nourished by it. From the standpoint of economics purely and upon the strictest business principles the interests of agriculture are the interests of this Government. No other pursuit so universally and profoundly concerns every other citizen of the Republic—no other calling known to civilized man, where so entirely and completely the interests of one is the interest of all.

There are other considerations which are worthy the thought of those charged in part with the duties of government. Favored by the character of our institutions, almost all of the farm land in this country is held and owned by the men who cultivate it. Ownership of soil means ownership of home, and I tell you, that government whose people build and own their own homes, lays broadest and deepest its foundations and bargains most surely and happily with time. Such homes, no matter how humble, are pledges of the perpetuity of the nation. Our little modest homes scattered over this land, reared by those who live in them, are the pillars of strength which lift this government above other nations of the civilized world. And it is well for us to remember here as elsewhere that the poorest home is just as great an element of strength to the state as the costliest mansion. To the state, to the government, there is no difference.

Now, sir, these rural homes are built on small margins. They are maintained only by industry and frugality. Every factor of strength and support about them is important to comfortable, decent existence.

Sir, I know something of life upon the farm; I know the value of the little things in the economical system, in the sparing, cautious management practiced there. I know how the small things are used to fill up and round out the seasons as they go. There is little that can be safely spared.

I know, sir, the vital, the absolutely vital importance of the dairy to the maintenance not only of the home comforts, the sweetening of the home life, but its great value to that which makes the home possible—the farm itself. It is the one important element in almost the only system which can be adopted upon the small farms to sustain their soil and preserve their producing properties. To foreclose the farmer from this essential branch of his business is to greatly narrow the limits of his industry, lessen the number of farm products, and force overproduction in the few produced with all its consequent disasters to commerce and trade.

It is too late in this discussion to go into figures, nor is it necessary. The dairy interest and all that it carries with it is in a distressing condition. It has been driven to the wall and is to-day fighting for a place to stand. It is set upon from all sides by an unseen foe. It is struck from behind. It is taken in ambush. It can make no defense.

Ah! but you say, "This is competition, and are you going to apply the taxing power to settle differences of competition between domestic industries?" I answer that is not the question presented here. We face a new situation in history. Ingenuity, striking hands with cunning trickery, compounds a substance to counterfeit an article of food. It is made to look like something it is not; to taste and smell like something it is not; to sell for something it is not, and so deceive the purchaser. It follows faithfully two rules: "Miss no opportunity to deceive;" "At all times put money in thy purse." It obeys no laws.

The evidence, undisputed, is that there enters into its composition a large number of substances which singly, or in combination, are unwholesome, poisonous, and either directly or indirectly destructive of human life.

It is no longer a question with the citizen anywhere, from ocean to ocean, whether he would prefer to eat it. He is forced to eat it. This monstrous product of greed and hypocrisy makes its way into the home and onto the table of every consumer. It is as powerful and irresistible as vicious ingenuity can make it. It is as pitiless as a plague. It wants only one thing: it wants your money—it does not care for your life.

Talk about competition! Why, gentlemen, stop and think! There can be no competition except where there is rivalry. Competition implies two or more persons or things or employments—two or more entities—each with an individuality, a character, an identity of its own, in common strife for the same object. But there can, from the very

nature of things, be no competition between a substance and its counterfeit. The sole object in making one substance in imitation of another, for purposes of sale, is to avoid competition.

It is time that this idle talk about interference with the competition of two industries should cease. The purpose of this bill is to insure competition. Here is a villainous device for making money lawlessly and subtilely, eating the heart out of an industry which is to this Government what blood is to the body. It is not only striking prostrate the agricultural industry, but it accomplishes this by cheating and defrauding the balance of the people—the great body of consumers out of both money and health. It spares no one.

All legislation attempted by, or within the reach of the States is impotent to deal with this monster. If there was ever a time in the history of this Government when the essence of the great protection principles should be applied—when this body was solemnly commanded to use its delegated powers for the general good, this is the hour.

I shall vote for this bill.

APPENDIX.

Letter of John Quincy Adams to Mr. Speaker Stevenson, July 11, 1832.

To ANDREW STEVENSON, *Speaker H. R., U. S.*

HALL OF THE HOUSE OF REP'S., U. S.
Washington, 11th July, 1832.

SIR. In the ordeal of burning plough shares between which it is the destiny of every public man in this country to wind his way, it has often been my fortune to be unjustly charged with holding latitudinarian doctrines upon questions relating to the extent of the powers of Congress under the constitution of the U. S. These charges have been repeated since the report which I was permitted by the Committee on Manufactures to make in their name, to the House of Rep's. They were repeated by a gentleman from Va., (who was himself a member of the Com. on Manufactures,) at the moment when the report was presented to the House. They have been since in substance, repeated on the floor of the House by the Chairman of the Com. on Ways and Means, by another member of Virginia, and a member from Alabama, all in eloquet and well considered speeches. The gentleman from Virginia (Judge Bouldin) argued against it, and cited the authority of Mr. Madison as adverse to it. The gentleman from Alabama, (Mr. Lewis) cited also the authority of Mr. Madison, as conflicting with my opinions, on which he commented with some severity and great ability. The array of names and of numbers on the floor against my opinions was sufficiently appalling, had there not been an appeal to the authority of Mr. Madison to sustain the adverse political creed. Nor has that name been thus resorted to in the House alone. I have seen in public prints a letter from that eminent citizen to yourself. published, as it is intimated, by way of antidote to the supposed bane of the latitudinarian principles of my report.

It was my intention, before the final passage of the Tariff bill, and in the event of its passage, often painfully doubtful in my anticipation, to address the House at some length upon the principles by which I had been governed in the performance of the duties which you had assigned to me, by placing me at the head of the Committee of Manufactures, and in explanation of the part which I have taken in the preparation and modifications of the bill, as well as in its progress through the two Houses of Congress. From this purpose I was first deterred by my unwillingness to trespass upon the patience of the House, by the infliction upon them of a long speech at the close of a tedious debate, and ultimately, by the application of the previous question, immediately after the second eloquent invictive of the Chairman of the Committee of Ways and Means.

Had I persevered in the purpose of thus addressing the House, all the topics of debate upon which that member, as well as the members from Virginia and from Alabama, had largely expatiated in their speeches, would naturally have been reviewed and found subjects of respectful animadversion. The principles which I had believed fundamental to the inception and consummation of the great compromise, which it was obviously the object of all sober-minded to accomplish in the adjustment of the Tariff—the plans for the reduction of the revenue, proposed by the Committee of Ways and Means, and by the Committee of Manufactures of the Senate—the rights of the agriculture and manufactures of the North and West, and Centre to protection, the wrongs and sufferings of the South, and particulary the distresses and depressions of the State of Alabama, the novel and marvellous maxim of political economy, that export pays the duty upon import—the relative portions of the burden of existing taxation actually borne by the Southern section of the Union, and by the Northern section—and the relative degrees of protection enjoyed respectively by them, must, necessarily, have passed in review. Some of these topics are irritating and altogether uncongenial to my nature. Others, and indeed most of them, had no bearing upon the bill under consideration by the House. I was rejoiced to be relieved from the necessity of discussing them. There is now every prospect that the Tariff Bill will pass; and it remains only for those who have contributed to its enactment, to await, with anxious hopes, its operation the several great interests affected by it, and its acceptance in the minds of the people.

It is not, however, to the Tariff Bill, or to any of its provisions, that I would now invite your attention and that of the public. It is to a principle of Constitutional Law asserted in the Report of the Committee of Manufactures which accompanied the introduction of the Bill to the House. The principle asserted is, that the power of Congress to protect the Manufactures and domestic industry of the Country, by taxation, is contained in the article of the Constitution which authorizes Congress to lay taxes, duties, imposts, and excises, to pay the debts and to provide for the Common defence and general welfare of the Union. This is the position which has been most earnestly controverted upon the floor of the House, and in opposition to which the authority of Mr. Madison has been so frequently and so confidently invoked.

If there be one living man to whom this country is indebted for greater and more eminent services than to any other, it is James Madison. If there be one living man to whom I am under greater, and more impressive personal obligations than to any other, it is the same individual. It is impossible for me to hear his name mentioned but with sentiments of reverence and affection. His confidence has been among the most precious consolations of my life. The opinions of Mr. Madison are to me, therefore among the highest of human authorities. But will the gentlemen themselves, who appeal to his authority for refutation of my opinions with regard to the constitutional power of Congress to levy taxes, duties, imposts, and excises, for the protection of domestic industry; will they subscribe to the opinion of Mr. Madison himself in affirmance of the very same power? Will the gentleman from Virginia, will the gentleman from Alabama, will you yourself call on the name of James Madison for authority, to resist the conclusion drawn by me, that the power of Congress to protect domestic industry by taxation upon foreign industry in competition with it, follows by necessary implication from the power of taxation expressly granted to provide for the common defence and general welfare; and when Mr. Madison himself insists that the protecting power is granted in the same identical authority to tax, coupled with that of regulating commerce, will you abjure and renounce the very oracle to which you have just resorted for truth? You have doubtless all read the two letters of 18th Sept. and 30th Oct. 1828, to Mr. Cabell; and is it possible that after reading them and meditating upon their contents, there should remain a scintilla of doubt upon your minds with regard to the lawfulness of the power? There is certainly none upon mine. If you appeal to Mr. Madison as authority, you must submit to his authority. You cannot, at the same moment, and before the same tribunal, demand judgment in your favor, and take a plea to the jurisdiction in one and the same cause. The authority of Mr. Madison upon this question is against you; clearly and unequivocally against you. Not merely the authority of his name, but authority illustrated by lucid argument—by impregnable demonstration. With regard to the letter to you which has been blazoned forth to the public, as a refutation of the position taken in the recent Tariff Report, presented by me to this House, I must say that I cannot find a single point upon which the doctrines of the two papers come in collision with each other. The position against which the argument of Mr. Madison's letter contends is, that the words common defence and general welfare contain a substansive and indefinite grant of power. That opinion has been, it seems, entertained by some persons, and you thought it expedient to obtain in conversation, and afterwards in writing, the opinions of Mr. Madison adverse to it.

Now I for one, disclaim, utterly disclaim, ever having advanced or entertained any such opinion. The words, far from containing a substantive and indefinite grant of power, contain no grant of power at all. The grant of power is in the preceding words, to levy taxes, duties, imposts and excises. The power granted is of taxation, ample in extent, and varied in all its forms, with an exception afterwards of taxes upon exports—the common defence and general welfare are the purposes for which Congress are required to provide, in the exercise of the granted power of taxation; so is the payment of the debt. That is no grant of power. It is one of the purposes for which the power of taxation is granted to provide for the common defence and general welfare, is another.

The general tenor of the argument in Mr. Madison's Letter is, to be sure, that the words common defence and general welfare, are "harmless words;" but in no one passage does the writer affirm that they are words without meaning. He gives a highly interesting chronological statement of their introduction, and of the alternate adoption and exclusion of them, at the several stages of progress in the formation of the Constitution; and he traces them very satisfactorily to the articles of Confederation. But no analogy between the two instruments can possibly lead to the conclusion that the words were equally inoperative in both. In the Confederation, the power of taxation was not granted with them, it was withheld; and in consequence of that very privation, Congress had not the power either to pay the debts, or to provide for the common defence and general welfare. In the Articles of Confederation, the words were coextensive with the powers of Congress to authorize the expenditure of money. They are in the 8th article of that compact, and read thus: "All charges of war, "and all other expenses that shall be incurred for the "Common defence and general welfare, and allowed by the "United States in Congress assembled, shall be defrayed out of a common Treasury, which shall be supplied by the several States," &c.

This was no grant of power but it recognized the power of the United States in Congress assembled, to allow all charges of war, and all other expenses that should be incurred for the common defence or general welfare. It did not define by whom or by whose authority the expenses should be incurred, but it admitted a discretionary power in Congress to allow them; and thus far made Congress the exclusive judges of the allowance of all expenditures incurred for the common defence or general welfare. Whether the words were harmless or not depended upon the discretion and patriotism with which the Congress should exercise their power of allowing the expenses incurred. To incur, and allow expenditures, they were words of no trivial import—but the power of raising the money, reserved to the Legislatures of the States, rendered all the rest abortive. The power of Congress to call upon State Legislatures for supplies, was like that of Glendower to call spirits from the vasty deep. The obligation of the State Legislatures to furnish the supplies was perfect upon paper. It was a dead letter in fact.

If the words common defence or general welfare were harmless, it was because they were useless. They were impotent alike for good or for evil; not assuredly for want of high and significant import in themselves, but because that import was annulled by the denial of the power of raising funds to defray the expenses incurred. Yet as harmless the words in the articles of confederation might be, it is to be inferred from much of the argument in Mr. Madison's Letter, that they were often used or abused as conferring upon the Confederation Congress, a substansive and indefinite power. He cautions you very earnestly against taking the practice of that body for the expositor of the articles of that Confederation, and with great justice. The exercise of undefined, and it might be added, of unlicensed authority was habitual with them, precisely because every power and authority granted to them was so encumbered, and trammelled, and shackled with exceptions and negations, and reservations, that it could scarcely ever be exercised to useful purpose without overleaping some constitutional obstacle. A man who should order a coachmaker to construct for him a carriage with three wheels, and interdict the fourth, for fear that it might driven over, and crush to death casual passengers in the street who might cross its way, would give an accurate representation of this Union, under the articles of Confederation. The body of the coach was well made—the frame of the carriage, whipple-trees, axle-trees, pole and three wheels, all made with the best materials, and by the most skillful workmen; but the fourth wheel was wanting, for fear of running over passengers in the streets. I admit, therefor, that the practice of the confederation Congress is not to be adopted as the best expositor of its lawful powers. Still less is their exercise of authority to allow expenses incurred for the common defence and general welfare to be construed as indicating that they held those words to be without meaning. But there are two things which give to the same words in the constitution of the U. S. a significancy far otherwise energetic, than that which they possessed in the articles of confederation. The first is their annexation to the expressly granted POWER to lay and collect taxes, duties, imposts, and excises; and the second, is the introduction in the same connection of those most emphatic words TO PROVIDE FOR. In the articles of confederation, the bearing of the words common defence or general welfare is *retrospective*, having reference to the allowance of charges and expenses *incurred*. In the constitution, they are *prospective*, coupled first with command of the purse, the power to levy taxes, duties, imposts, and excises; and secondly, with a great and solemn *duty* to be performed *to provide* for the common defence and general welfare.

It is the DUTY of Congress to provide for the common defence and general welfare; a duty equally imperative with that of paying the debts of the Union; and is it competent for Congress to discharge themselves from this great and paramount duty to the people, by the mere allegation that these are all harmless words, partly adopted from the articles of confederation, without meaning there, and to be construed as without meaning in their new and transferred condition? I have distinctly said that I do not hold the words common defence and general welfare in the constitution, to contain a grant of substansive and indefinite power, or indeed of any power at all—but as expositors of the purpose for which Congress are expressly enjoined TO PROVIDE, and for enabling them to provide for which they are armed with the power of taxation in almost all its forms: and so understanding them, I believe it would be very imperfectly descriptive of their character, to denominate them harmless words, and a very inadequate estimate of their import to consider them as merely auxillary to other *enumerated* powers.

Yet, I disclaim again, explicitly and utterly disclaim, the imputation of considering those words as containing either in themselves, or in their connection, with the right to tax expressly granted, and with the duty to provide for expressly enjoined, a grant of unlimited power. It does not appear from the letter of Mr. Madison, what was the special controverted object of legislation, with reference to which you had resorted to his opinions for the solution of your doubts. His recurrence to the charter, granted by the confederation Congress to the Bank of North America, and to the argument of Mr. Wilson to educe the authority to grant the charter from the nature of the Union, seems to indicate that your inquiries were specially directed to the power of chartering the Bank of the U. S. I never considered the power of chartering the bank, as contained in this paragraph. For, even if a bank should be indispensably necessary for the common defense and general welfare, as I believe it to be, still the power here granted is merely a power of taxation, and to grant a charter of incorporation is not to lay taxes, duties, imposts, or excises. Before the acquisition of Louisiana, and its annexation to the Union, I did consider this taxing, power, injunction, and exposition of purposes, as sufficient, together with the treaty-making power, *for the acquisition of the Territory by purchase*, but not for exercising the powers of government over the inhabitants, nor for annexing them to the Union. At the session of Congress specially called by President Jefferson upon the occasion of the conclusion of that negotiation, which commenced on the 17th of October 1803, I first took my seat as a member of the Senate of the U. S. An accidental detention on my way to the seat of government, by illness in my family, prevented me from taking my seat until the 21st of that month. The advice and consent of the Senate to the ratification of the treaties had been given the day before.

Had I been present I should have voted in favor of the ratification; I had no doubt of the power to conclude the treaty. I did vote and speak in favor of the bill making Appropriations for carrying the treaties into execution. It was entitled An "Act authorizing the creation of a stock to the amount of eleven millions two hundred and fifty thousand dollars, for the purpose of carrying into effect the Convention of the 30th of April 1803, between the U. S. of America and the French Republic, and making provisions for the payment of the same." But I voted against the bill "to enable the President of the U. S. to take possession of the Territories ceded by France to the United States by the treaty concluded at Paris on the 30th April last, and for the temporary government thereof." (See Bioren's U. S. Laws, Vol. 3, p. 562, both those Acts.)

My speech on the bill authorizing the creation of the stock, may be found in the fourth vol. of Elliott's Debates and illustrations of the Federal Constitution, p. 258, and it points out the distinction upon which I voted for one of those bills and against the others. I had no doubt of the Constitutional power of the President, with the advice and consent of the Senate, to make the treaty, and to acquire the Territory; nor the power of Congress to borrow and appropriate money for payment of the purchaser, to take possession of the territory, to dispose of it, and to make all needful rules and regulations respecting it; but the second section of the Act enabling the President to take possession, was in the following words: "And be it further enacted, That until the expiration of the present session of Congress, unless provision for the temporary government of the said Territories be sooner made by Congress, all the military, civil, and Judicial power, exercised by the officers of the existing government of the same, shall be vested in such person and persons, and shall be exercised in such manner, as the President of the United States shall direct, for maintaining and protecting the inhabitants of Louisiana, in the free enjoyment of their liberty, property, and religion."

By this section the absolute powers of a king of Spain over the people of Louisiana, were vested in the President of the United States. I believed that the Constitution had not authorized Congress to confer upon the President such powers, and voted against the bill as unconstitutional. Mr. Jefferson signed the bill, as President of the United States, and assumed and exercised the powers vested in him by it. At the same session of Congress, an Act, was passed [24 Feb., 1804, Bioren's U. S. Laws, p. 569] for laying and collecting duties on imports and tonnage, within the ceded Territories. An act erecting Louisiana into two Territories, and providing for the temporary government thereof, (U. S. Laws, Vol. III, p. 603, 26th March, 1804,) and several others, exercising all the powers of taxing and legislation, over the people of Louisiana, and conferring upon them the rights and privileges of native citizens of the United States. Against all these acts I voted, as may be seen by the records of yeas and nays in the Journals of the Senate. I was under a sincere and conscientious conviction that the Constitution of the U. S. had conferred upon Congress no authority to enact those laws.

Mr. Jefferson, however, sworn as he was to support the Constitution of the U. S. and to take care that the laws should be faithfully executed, did, as President of the U. S., sign all those acts, and did assume and exercise all the powers conferred upon him by them. In the debate in the House of Representatives upon the constitutional power of Congress, to consummate the acquisition of Louisiana, Mr. Rodney expressly cited this identical article; the power to lay taxes, duties, imposts, and excises, to pay the debts, *and provide* for the *common defence* and *general welfare*, as containing the neccessary grant of power. I did not subscribe to the doctrine. I believed an amendment to the Constitution indispencibly neccessary to legalize the transaction; and I further believed the free and formal suffrage of the People of Louisiana themselves were as neccessary for their annexation to the Union as those of the People of the United States. I made a draft of an article of amendment to the constitution, authorizing Congress, to annex to the Union the inhabitants of any purchased territory; and of a joint resolution, directing that the People of Louisiana might meet in primary assemblies, and vote upon the question of their own union with the United States, of both these experiments, had Mr. Jefferson had the courage to make them, the result was as certain as the diurnal movement of the sun.

But Mr. Jefferson did not dare to make them. He found Congress mounted to the pitch of passing those acts, without inquiring where they acquired the authority; and he conquered his own scruples as they had done with theirs. I was aware that by a very liberal construction of this extensive power of taxation to provide for the common defence and general welfare, together with what was called the sweeping clause, the last paragraph of the section the power to make all laws necessary and proper for carrying into execution all the other powers vested by the constitution in the Government of the U. S.; the whole transaction of purchasing and annexing Louisiana to the Union, might be fairly brought within the pale of the constitutional powers of Congress. The peaceable purchase of Louisiana for a sum of money, was, under the circumstances of the time, a strict and judicious performance of the duty to provide for the common defence and general welfare. A province bordering upon our own territories, covering a surface equal in dimensions to the whole domain of the Union, interlocked with our own soil, by more than one of the mightiest floods that traverse the Western Hempshire, and capable of bearing and breeding a population to be numbered by hundreds of millions, had passed from the imbecile caducity of Spain into the hands of the Conqueror of the age, in the swelling tide of his fortune. He had destined his new possessions to be the seat of a *military colony*, and at the very moment when he transferred his acquisition to the happier destinies of association with the North America confederacy, he had twenty thousand of his veteran warriors embarked at a European port, under the command of another soldier of fortune, then his lieutenant, since more permanently aggregated than himself with the circle of sceptered kings, and waiting but for a wind to waft them to the mouths of the Mississippi.

To tax the people of the U. States to the amount of fifteen millions of dollars, had it been for the single purpose of buying off the prospects and perils of such a neighborhood, would certainly have been a very wise and fortunate measure to provide for the common defence and general welfare; but the legitimacy of *this* exercise of Power, should carry with it as incidental consequences, the power of investing the President of the U. S. with all the despotic authority of a King of Spain; that it should imply the power of absolute legislation over a foreign nation; of holding in subjection a foreign people; taxing them without their consent, and fettering them into freedom, appeared to me to be inferences so transcendent, so inconsistent with the whole character of our institutions, so certainly unforeseen and uncontemplated by the convention which had prepared the constitution, and by the people who had adopted it, that I could not bring my mind to the conclusion that this clause of the constitution could be susceptible of such latitude of construction.

I opposed pertinaciously, by speech and by vote, the passage of all those acts. The debates of the Senate were not then regularly reported, and of my opposition, which was earnest and incessant, even to importunity, no record now remains excepting upon the Journals of the Senate. It will there be found, that on the 25th of Nov., 1803, I moved for the appointment of a committee, "to inquire whether any, and if any, what further measures might be necessary for carrying into effect the treaty between the U. S. and the French Republic, concluded at Paris on the 30th of April, 1803, whereby Louisiana was ceded to the U. S.," with leave to the committee "to report by bill or otherwise." This motion was laid on the table for consideration till the 9th of Dec., when it was rejected. When the motion was under consideration, I stated to the Senate my motive for making it, my full conviction that an amendment to the constitution was indispensable for the annexation of Louisiana to the Union, and for the admission of its inhabitants to the rights and privileges of citizens of the U. S. That the consent of the people of La. was equally necessary; and I read the drafts which I had prepared, of an amendment to the constitution, and of a resolution for taking the free vote of the people of Louisiana, which I proposed submitting to the Committee, if the Senate would indulge me by appointing one.

No attempt was made to answer my reasoning, but my motion was rejected. Before offering the resolution, I had twice called upon Mr. Madison, then Secretary of State; had expressed to him my own opinions upon the constitutional points, and the wish that measures to the effect of removing the difficulties should be introduced into Congress, by some leading friend and supporter of the Administration. At our first interview, I left him under a doubt whether this course of proceeding would be taken by the administration or not; and I told him I should not move in the matter, if any friend of the administration would undertake it. At the second meeting he informed me that no such measure would be proposed on the part of the Administration, and it was in consequence of this information, that I made the motion in Senate for the appointment of Committee. The Administration, and its friends in Congress, had determined to assume and exercise all the powers of government in Louisiana and all the powers for annexing it to the Union, without asking questions about their authority. On the 10th Jan., 1804, I offered to the Senate the following resolutions:

"1. Resolved, that the People of the U. S. have never in any manner delegated to this Senate the power of giving its Legislative concurrence to any act for imposing taxes upon the inhabitants of Louisiana without their consent.

"2. Resolved, That by concurring in any act of Legislation for imposing taxes upon the inhabitants of Louisiana, without their consent, this Senate would assume a power unwarranted by the constitution and dangerous to the Liberties of the People of the United States.

"3. Resolved, That the power of originating bills for raising revenue, being exclusively invested in the House of Representatives, these Resolutions be carried to them by the Sec. of the Senate: That whenever they think proper, they may adopt such measures as to their wisdom may appear necessary and expedient for raising and collecting a revenue from Louisiana."

At the time when I offered these Resolutions, the act for laying and collecting duties on imports and tonnage within the territories ceded to the U. S. by the Treaty of the 30th April 1803, between the United States and the French Republic, and for other purposes, (Bioren's Laws U. S. Vol. 3, p. 369) was in discussion before the Senate, I strenuously opposed and voted against that act, in all its stages on the sole ground that it transcended the constitutional powers of Congress: But as the mere record of votes by yea's and nay's, could not show the principle upon which my votes were given, I offered these Resolutions, well knowing that they would not be adopted, but for the purpose of putting upon record my solemn protest against the assumption and exercise by Congress of such unconstitutional powers. A Letter from Mr. Jefferson to Dr. Sibley has been recently published written in June 1803, after he had received the Louisiana Treaties, in which he clearly and unequivocally expresses the opinion that an amendment to the constitution would be neccessary to carry them into execution. Yet without any such amendment to the constitution, Mr. Jefferson, did, as President of the U. S., sign all those acts for the government and taxation of the People of Louisiana, and did exercise all the powers vested in him by them.

Now sir, as the Letter from Mr. Madison to you, upon which I am commenting, has been avowedly published as a refutation of the opinions contained in the report of the Committee on Manufactures, bearing upon the duty enjoined upon Congress in the constitution, by means of taxation, to provide for the common defense and general welfare, as authority for the protection of domestic industry; and as in the newspaper which I have before me, that letter is introduced with a declaration by its publisher, that it completely overthrows the heresy which Mr. Adams has advocated in his Report," I now call upon you, in the face of the nation, to state by virtue of what *enumerated* power in the Constitution of the U. S. Mr. Jefferson did, as President of the U. S. sign and then as the Chief Executive Magistrate of the Union, carry into effect, the acts of Congress, of which I here subjoin the titles, and the dates upon which they received his sanction.

1. An act to enable the President of the U. S. to take possession of the territories ceded by France to the U. S. by the Treaty concluded at Paris on the 30 of April last, and for the temporary Government thereof, 31 Oct 1803.

2. An act for laying and collecting duties on imports and tonnage within the territories ceded to the U. S. by the Treaty of the 30th of April 1803, between the U. S and the French Republic, and for other purposes—24th Feb. 1804.

3. An act relating to the recording, registering, and enrolling of ships or vessells in the District of Orleans—Feb. 25th 1804.

4. An act to providing for the expenses of the civil Government of Louisiana, 26th Mar. 1804.

5. An act erecting Louisiana into two territories and providing for the temporary government thereof 26th Mar. 1804.

If you can discover in the constitution of the U. S. the shadow of an enumerated power, other than these "harmless words," and this repudiated sweeping clause, delegating to the Congress of the United States the power to enact those laws, and to the President of the United States the power to sanction and then to execute them, you will confer upon me a high obligation by pointing it out. By what process the mind of Mr. Jefferson was operated upon, between the month of June when he declared in his letter to Dr. Sibley his opinion that an amendment to the constitution was necessary to consummate the acquisition of Louisiana, and the 31st of Oct. when he signed the first of these acts, has never been made know to the world. That he willfuly and deliberatly violated the constitution of the United States and his official oath to *preserve protect* and *defend* it. I never have felt myself justified in believing, nor am I willing to believe it now. To that supposition there is this alternative, and if there be another, I solemnly demand of you, and of every other surviving friend of Mr. Jefferson

and of his reputation with posterity, to set it forth. The Alternative is, that Mr. Jefferson did *pro hac vice*, adopt the principle of liberal construction to the grant of powers in the constitution. That he concurred in the exercise of the power of taxation upon the people to the amount of fifteen millions of dollars, to provide (by the purchase of Louisiana) for the common defence and general welfare of the Union and that, after having completed the purchase, he was warranted in giving his sanction to all laws necessary and proper to carry the whole transaction into execution, however identified such laws might be with the principles of an absolute monarchy, and however irreconcileable with the fundamental principles of our republican institutions.

I have stated that upon the passage of this first act and for taking possession of Louisiana, and for the temporary *government thereof*, through the House of Representatives, this very paragraph of the Constitution was cited by Mr. Rodney, of Delaware a distinguished lawyer and statesman and then an ardent friend and supporter of Mr. Jefferson's administration, as containing the grant of power by which Congress was authorized to make the acquisition of Louisiana, I have said that by giving this construction an easy and natural, but very liberal construction to that paragraph, and calling to its aid the sweeping clause, the purchase of Louisiana, and all the laws of Congress enacted for carrying it into full execution were strictly constitutional. And I will now add, that from and after the close of the first session of the eight Congress—that is, from the 27th of March 1804—I have so considered, and do so consider them. It was not the construction which from the conclusions of my own judgment I had given to that paragraph.

I had, through a long and interesting session of Congress, resisted and opposed the application of that construction to measures which in all other respects had my hearty approbation. That construction was, however, practically given, by large majorities of both Houses of Congress, and by Mr. Jefferson, as President of the U. S., in the enactment and execution of the five statutes of which I have given you the titles and the dates. That construction was acquiesced in by the People of the United States and by the People of Louisiana, and thereby, controlling my own judgment, became to me thenceforth a part of the fundamental constitutional law of the land. And hence in the years 1819 and 1821 I contributed, in the official station which I then held, without scruple or hesitation, to the conclusion of the Florida Treaty, and to the enactment of Laws precisely similar, with reference to that province and to its inhabitants, which I had resisted and opposed with regard to the province of Louisiana, and its people in 1804.

But the construction of the Constitution having thus been practically and definitely settled with regard to transactions of such import as the acquisition, government, and annexation to this Union, of a Territory equal to that of the whole Confederated republic before, I was left no longer at liberty to apply a narrow and contracted analysis of language to those "harmless words," which had conferred upon a President of the U. S. the despotic powers of a king of Arragon and Castile. I never did draw the inference—and I ask, in this respect, not to be misunderstood—I never did draw the inference from this succession of facts, and settlement of principles, that these words conveyed to Congress a substantive and "indefinite power," but I did draw the inference that as declaratory of the purposes for which the power of taxation was granted and as subsidiary to the duty enjoined upon Congress to provide for the common defense and general welfare, they were words efficacious in themselves and needing no further specification of enumerated power to give them life and significancy. The substantive and definite power granted, is the power to levy taxes, duties, imports, and excises.

The duty enjoined upon Congress for the performance and fulfillment of which they are authorized to exercise this power, is to provide for the common defense and general welfare. Far from being a grant of indefinite power, these are themselves defining words; they *limit* the exercise of the powers of taxation in this respect to the object of providing for the common defense and general welfare; but they extend the lawful exercise of the power to all objects fairly and reasonably coming under the denomination, adapted to the *common defense and general welfare*. Now, the acquision of Louisiana by purchase, and the enactment of all laws necessary and proper for carrying that measure into execution, by fair and sound reasoning, without violence to language or abuse of terms, might be included in the obligation of Congress to provide for the common defense and general welfare. And I aver for the purpose of meeting and refuting your contradiction—if you shall think proper to contradict the assertion—I aver that there is in the Constitution of the United States no other enumerated grant to Congress which could authorize them to enact the five statutes of which I have given above the titles, and which were enacted at the first session of the Eighth Congress, 1803-1804.

If then the Eighth Congress, with the sanction of Mr. Jefferson, as President of the United States, did practically give an exposition to these words so comprehensive as to embrace within the pale of the constitution, all the acts of Congress by which the acquisition of Louisiana and its annexation to the Union were consummated, the same principle is of right applicable to the exposition of the same words in all parallel cases and no one can deny that the protection of domestic industry against foreign competition and against the hostile spirit of rival commercial legislation, is as faithful a performance of the obligation to provide for the common defence and general welfare as was the purchase of Louisiana.

Such, sir, is the foundation of the reasoning upon which, in the report of the committee on manufactures of the House of Representatives upon the tariff, it is affirmed that the power of Congress to protect the domestic industry of the country, by taxation upon the competition with it, of foreign industry, is granted by the power of taxing to *provide* for the common defense and general welfare. I add that it is much more clearly included in this grant of power than the purchase of Louisiana and its consequent series of legislation, was so included. How strictly this power of protecting the native interest by countervailing legislation, is included in the requisition to Congress to provide for the common defense and general welfare, is signally illustrated by the following paragraph of the speech of Mr. Huskisson, to the British House of Commons, delivered on the 12th of May, 1826, upon the state of the navigation of the United Kingdom. Speaking of the British Navigation laws, he says:

"I am bound to say that those regulations are founded on the first and paramount law of every state, the highest ground of political necessity, PROVIDING FOR OUR OWN SAFETY AND DEFENSE." Here, sir, the very words of our constitution, employed as a direction to Congress, for the exercise of the granted power of taxing, are used by Mr. Huskisson as constituting the foundation of the whole system of the navigation laws of Great Britain; and the coincidence of the language used in the two cases is the more emphatically demonstrative of the power of Congress implied in the injunction, as it is very certain Mr. Huskisson used the words without reference to the constitution of the United States, of which there is in the same speech abundant evidence that he was wholly ignorant.

If, then, there is any essential discordance between the principles of constitutional law asserted in the report, of the committee of manufactures, with reference to the words common defense and general welfare, and the doctrines maintained in the letter of Mr. Madison to you, it is not because the report asserts or implies, that these words "convey to Congress a substantive and indefinite power." The reports contains no such assertion—no such implication.

Nor, if the object of the argument in Mr. Madison's letter is to prove that these words are not competent to authorize Congress to charter a bank, can there be found in the report any heresy to which they can attach for controversy or reflection. The author of the report has never asserted, nor does he believe that the power to charter a bank is contained in this particular grant, but he has no doubt that if in providing for the common defense and general welfare, Congress should find it necessary to levy taxes, duties, imposts and excises, to administer the finances of the country by means of a bank, the power, the duty and the purpose thus combined, would justify them in the establishment of such an institution. The general power to charter a bank must be derived from other grants.

If, however, by the denomination of "harmless words," applied to the terms common defense and general welfare, or, if the chronological tracing of the genealogy, through the stages of their progress in the constitutional convention, back to the articles of confederation, the purpose of Mr. Madison's argument is to shew that these words associated as they are in the constitution with the grant of power to tax and with the injunction of Congress to *provide* for, have no more vital efficacy than they had in the articles of confederation, where separated from the power of taxation, disburthened from the obligation to *provide*, they were confined to the exercise of an authority to settle accounts for expenses and charges incurred, then with the most perfect deference for the opinions of Mr. Madison, the reporter of the Committee of Manufactures, is constrained to dissent from them.

That the words were not in the articles of confederation themselves deemed altogether harmless, is proved by the consideration, that the power of the United States in Congress assembled, to ascertain the sums and expenses nesessary for the defence and welfare of the United States, or any of them, was one of the substantive powers which they were interdicted from exercising, unless with the assent of nine States. The power granted to the Confederation Congress was to ascertain the necessary sums and expenses; and so substantive, though not indefinite, was that power deemed, that its exercise was prohibited, unless with the assent of nine States. The power granted to the Constitution Congress, is to levy taxes, imposts, and excises, and the duty enjoined upon them, is to provide for the defence and welfare of the Union, by the expenditure of the moneys levied.

In the Articles of Confederation, it was a substantive specific grant of power, in which the words defence and welfare, as indicating the purposes for which the power might be exercised, were so far from being thought harmless, that they warranted the expenses which Congress were authorized to ascertain, and so substantive, and so far from indefinite was this grant of power considered, that it was classed in the same paragraph with the powers of engaging in a war, of granting letters of marque and reprisal in time of peace, of entering into treaties or alliances, of coining money, of regulating the value thereof, of emitting bills, of borrowing money on the credit of the United States, of appropriating money, of agreeing upon the number of vessels of war to be built or purchased, or upon the number of land and sea forces to be raised, and of appointing a Commander-in-chief of the Army or Navy. For the exercise of any one of these powers the Articles of Confederation make the assent of nine States indispensable.

The terms defence and welfare, in this case, though unaccompanied by the epithets common and general, must be understood as of the same import as they bear in the Constitution, connected with them. They are the exponents of a definite specific power, as well in the Articles of Confederation as in the Constitution of the United States. In the Articles of Confederation it was a power to ascertain expenditures necessary for the specified objects, and the abuse of the power was foreclosed, by requiring a majority of two-thirds of the States for its exercise.

In the Constitution it is a power to tax the People, granted to Congress, with the injunction to provide for the common defence and welfare, by the expenditure of the proceeds of taxation. It is as specific and definite as the other injunction, to pay the debts of the Union with the proceeds of the same taxation. It is a grant of power to Congress, like the other general grants to the same body, and is not one of those requiring more than a majority of the two Houses, with the sanction of the Executive, for its exercise.

The extent of the power conveyed to Congress by this grant, is undoubtedly dependent upon the construction given to them "to provide for the common defence and welfare." It is a question of more or less, and the opinion that they contain no intrinsic meaning, appears to me as erroneous as that which assigns to them indefinite and arbitrary power.

I have shown that Mr. Jefferson and the eighth Congress, practically gave to them by their acts for consummating the acquisition of Louisiana, a more enlarged construction than I deemed admissible. A construction, however, sustained by the acquiescence of the people, and in which I have therefore acquiesed. Before the acquisition of Louisiana, I should have held the power granted, to Congress in this paragraph amply competent to provide by taxation upon foreign competition, for the defence of domestic industry. Since the extension given to the constructive power by the Louisiana purchase Legislation, I have considered that power enlarged to the comprehension of all objects as clearly adapted to the common defence and welfare, as the purchase and annexation to this Union of Louisiana.

Indulging Mr. Jefferson and the eighth Congress in their liberality of construction to this paragraph, necessary to bring within the pale of the Constitution, the Statutes which they did enact and execute, to consummate the acquisition of Louisiana, I can not consent that they should then step back and say, we have adopted the latitudinous construction for an object specially suited to our interests and purposes, and now we will return to the doctrines of rigid construction. The acquisition and annexation to the Union of Louisiana was an achievement of great importance to the common defence and welfare of the Nation, and I will not deny that by its magnitude it warranted the application of a very liberal principle of construction to the powers of Congress for effecting it.

But I can not allow that Mr. Jefferson, as President of the United States, but at the same time a citizen of a Southern slave holding State, should adopt a broad and liberal construction of the terms, in which power had been delegated to him, for the accomplishment of one set of measures, transcendently advantageous to the Southern and Slave holding interest, and then retreat upon a narrow and niggardly construction of the same terms, to deny the power of Congress to protect the manufactures of the North, of the Centre, and of the West from foreign rivalry and competition.

That Mr. Jefferson did so, it is not my intention to affirm. That he had no doubt of the power of Congress to protect the native interest, not only by taxation, but by prohibition, has been amply proved, and particularly by one of his messages to Congress, an extract from which was read by me to the House of Representatives in the course of the debate upon the Tariff bill yet under the consideration of Congress, Mr. Madison doubts as little as Mr. Jefferson, and his letter to you, of which you have permitted the publication to refute the supposed heresy divulged in the Report of the Committee on Manufactures, proves by its date that it was written by him for no such purpose. The substantial argument of Mr. Madison's letter is, that the terms common defence and general welfare do not convey a grant of substantive and indefinite power. So say I.

Mr. Madison says that the power of Congress to protect domestic, by taxation upon foreign, industry is implied in the power to regulate commerce. So say I. And I add that it is also contained in the grant of power of taxing *to provide for the common defense and general welfare*. In both cases the power is implied. It is a constructive power—and so far as I am able to judge of the force of language, the derivation of the power from the duty to provide for the common defence

and general welfare is more direct, more immediate, less needing a winding staircase of argumentation to come to the result, than its derivation from the power to regulate commerce.

The publication apparently by your authority, of a private letter from Mr. Madison to you, with the avowed purpose of affixing the brand of heresy upon a principle asserted by me in a document prepared in discharge of a public duty assigned to me by yourself, will, I trust, be a sufficient apology to you and to the public, to warrant my addressing you in this manner, rather than upon the floor of the House.

I am very respectfully, sir, your servant and fellow-citizen,

JOHN QUINCY ADAMS.

The Labor Question.

SPEECH

OF

HON. RALPH PLUMB,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Friday, June 11, 1886,

On the bill (S. 1657) to legalize the incorporation of national trades unions.

Mr. PLUMB said:

Mr. SPEAKER: The bill before us authorizes any association of working people having branches in two or more States or Territories of the United States, and formed for the purpose of aiding its members to become more skillful and efficient workers, the promotion of their general intelligence, the elevation of their character, the regulation of their wages and their hours and conditions of labor, the protection of their individual rights in the prosecution of their trade or trades, the raising of funds for the benefit of sick, disabled, or unemployed members or the families of deceased members, or for such other object or objects for which working people may lawfully combine, to so organize and combine for their mutual protection and benefit.

Such organizations have the right to sue and be sued, to plead and be impleaded, to grant and receive, in their corporate or technical names, property, real, personal, and mixed, and to use said property, and the proceeds and income thereof, for the objects of said corporations in their charters defined.

Such organizations have, moreover, power to make and establish such constitutions, rules, and by-laws as they may deem proper to carry out their lawful objects, and the same to alter, amend, add to, or repeal at pleasure.

These organizations are national, with power to define the powers and duties of all their officers and prescribe their mode of election and terms of office.

This bill, having passed the Senate, was referred to the Committee on Education and Labor of this House, and being called up by the chairman of that committee and passed by the House without a division needs no support from me; but having prepared some remarks on the subject of labor, I avail myself of the order of the House to place them on record here.

The provisions of this bill, Mr. Speaker, have my hearty approval, and I hail it as a step in the direction of a great and needed advancement of the interests of labor in this country.

Mr. Speaker, I am not surprised that the labor question should occupy so large a place in the public mind. The agitation upon this subject is universal. All ranks and conditions, from the laborer at his toil to the Executive of the nation, are studying the question with a view to reaching a correct conclusion as to the extent of the interests involved and the proper course to be pursued in dealing with them.

This must be regarded by every careful student of the progress of the human race toward a larger liberty as a cheering evidence that the great Republic in which we live is preparing to take one of the most important steps in history. The step to which I refer may well be termed the third in the grand march of the Republic. The first was national independence; the second, national unity and the abolition of chattel slavery; the third and impending step, the emancipation of labor.

Sir, it is not enough that we are at last able to say, "Slaves can not breathe our air, they touch our country and their shackles fall," the genius of our institutions, the spirit of our great charter, as well as every principle on which our Government is framed, forbids that we stop short of that perfect equality before the law which is the declared birthright of all.

The power to labor and the necessity for it came to man as a part of his inheritance, and both testify that the bequest was of priceless value. At every step of his development from infancy to age, and from weakness to strength, every individual feels the impulse of these forces, and by these alone he achieves for himself whatever of success justly belongs to him.

To each individual labor is his capital, and it is his own, not another's. By it he supplies his necessities and administers to his ever-increasing wants. If there be those who are dependent upon him, from the fruits of his labor he supplies their needs. Whatever is his just proportion of the expense of the Government which protects him, he contributes from his own labor. Not a human being on earth has the right to take from the laborer unjustly a single dollar of wealth earned by him.

None of these propositions deserve mention here because they are new, but only to point out the fact that laboring men comprehend these principles, and are inquiring whether things as they now exist show that they as laborers have what actually belongs to them or not.

Sir, we are told that five hundred thousand Knights of Labor have banded themselves together for the purpose of elevating themselves, and for the further purpose of securing to themselves all that as laborers they are justly entitled to; and this movement fills many with alarm lest anarchy and misrule are about to come upon us, and some even talk as if we must needs have a stronger form of government, a larger army, and more guns to keep down these laboring men. For one, I not only have no such fears, but I rejoice that there is such an organization in this country. These men are not the enemies of order; they understand full well the value to them of a republican government based on the principle of justice as ours is. These very men are its sure defense in every time of trial and need. They must not be confounded with those who follow the red flag of the commune—they are not the bomb-throwers and incendiaries by whom the streets of our cities have been barricaded and our brave policemen murdered; they have as little sympathy with such as has any man on this floor, and none would rejoice more than the Knights of Labor, if I understand them aright, to see every communist returned to those European countries from whence they came and to the custody of those governments by whose oppression they have been made enemies of all government.

The Knights of Labor are men who work in our mines and factories, on our railways, and in our mills and shops, at the furnace, on the farm, and in every department of manual labor. They are organized, and they have a right to be organized, nay, more, they are under the necessity of organizing, for in no other way can labor in the present condition of affairs secure its just rights.

A half-century ago organized capital was comparatively but little known, especially in the employment of labor; but the ushering in of a new era—the era of invention—brought on by the scarcity of labor and the multiplication of human wants in a country of boundless resources like our own and among a people in whom the inventive faculty was thereby largely developed, has conspired to create a radical change in the relation between capital and labor. Machinery was made by which the power to produce was increased to such an extent that it necessitated the employment of aggregated capital by corporations.

This change of conditions from those in which the individual made an article and sold it to the individual who consumed it, to the present, in which nearly every kind of business is now carried forward by corporations wielding aggregated capital, has been so universal and sweeping that the organization of laborers of all kinds became a necessity.

Mr. Speaker, I know full well that there are here and there corporations that carefully consider and protect the interests of their employés, but, sir, it is useless to insist that the general manager of organized industries will, as a rule, concede fair compensation to operatives at the expense of dividends; the operative must be in a condition to insist on a fair divide, and that he can not do standing alone.

But, Mr. Speaker, it is insisted by some that the laborer is well paid, that never in history in any country has the laboring man had wages so high or enjoyed so many comforts as in the United States to-day. I will not dispute the statement, but I insist that the question is not whether the past has not been worse for labor than the present, but whether the present is what it ought to be. The typical American does not look to the past for satisfaction; he dares to inquire for what is now just, and to demand it; and if there be one who more than another is justified in such demand it is the man who works.

It has somehow come to be assumed, Mr. Speaker, that capital is superior to labor, and that in the adjustment of questions arising between them the interests of capital must be conceded as of paramount importance; but the fact is, and must be recognized, that labor is above capital. In this connection, I beg leave to quote the words of Lincoln, uttered in 1865:

> There is one point with its connections, not so hackneyed as most others, to which I ask brief attention. It is the effort to place capital on an equal footing with, if not above labor in the structure of the Government.
>
> It is assumed that labor is available only in connection with capital; that nobody labors unless somebody else owning capital somehow by the use of it induces him to labor. This assumed, it is next considered whether it is best that capital shall hire laborers and then induce them to work by their own consent or buy them and drive them to it without their consent. Having proceeded so far it is naturally concluded that all laborers are either hired laborers or what we call slaves. And further, it is assumed that whoever is once a hired laborer is fixed in that condition for life.
>
> Now, there is no such relation between capital and labor as assumed, nor is there such thing as a freeman being fixed for life in the condition of a hired laborer. Both these assumptions are false, and all inferences from them are groundless.
>
> Labor is prior to and independent of capital. Capital is only the fruit of labor, and could never have existed if labor had not first existed. Labor is the superior of capital and deserves much higher consideration. Capital has its rights, which are as worthy of protection as any other rights. Nor is it denied that there is, and probably always will be, a relation between labor and capital producing mutual benefits. * * *

Again, as has been already said, there is not, of necessity, any such thing as a free hired laborer being fixed in that condition for life. Many independent men everywhere in these States a few years back in their lives were hired laborers. * * *

No men living are more worthy to be trusted than those who toil up from poverty, none less inclined to touch or take aught which they have not honestly earned.

These, Mr. Speaker, are the words of that great President of the Republic who was inspired to proclaim liberty to four millions of laborers who were held as slaves, and who in every act and word from his youth in obscure poverty, to his untimely death in the very pinnacle of greatness and power, was the laborer's stanchest friend.

Mr. Speaker, that labor is above capital, that it is the producer of all forms of wealth, let a few facts be submitted to prove: The Tenth Census gives the number engaged in 1880, in productive labor, and the same proportion shows that of our present population fifteen millions are engaged in gainful avocations. These, it must be remembered, include agriculturists, manufacturers, iron and steel workers, glassblowers, miners, artisans, railroad employés, and every kind of workingmen.

Now, let us suppose that these persons have employment two-thirds of the time, or say two hundred days in each year, at an avearge wage of $2 per day, and you have a total of $6,000,000,000 of labor earnings in one year in the United States, which is probably far below the actual facts. Then, to understand the tremendous significance of these figures, imagine if you can the consequences should this motive power on which human existence absolutely depends cease for one year. Why, sir, it would be like an eclipse of the sun or the cessation of the earth's revolution. Doctors and lawyers, preachers and teachers, State Legislatures, and even the United States Congress might be dispensed with for a twelvemonth and the nation would survive, but human labor is of such vital importance to society that it must bring its daily blessing to us all—it must save or we all perish.

THE PRESENT CONDITION OF LABORING MEN.

Mr. Speaker, it is useless to deny the existence of widespread discontent among laboring men—a feeling of unrest so general and so real as to challenge anxious scrutiny as to its actual cause. Why is it, we may well inquire, that in a land so full of natural productions of both soil and mine, so replete with all the rich gifts with which nature has blessed our own wide domain, a country in which neither the early nor the late rains are withheld, and where the genial sun brings to perfection in their season every variety of food for both man and beast, there are so many thousands of unemployed laborers, so many who are at their wit's end for a sure way to obtain a supply for the daily wants of themselves and those dependent on them?

Is it because our people lack the enterprise to engage in diversified industries, or is it because we have no ingenuity in devising methods by which nature's forces can be made to lighten toil? Sir, whatever may be the source of the trouble we are considering, it can not be maintained that the land in which we live is from barrenness the cause.

WHAT THEN IS THE CAUSE?

Let the countless millions possessed by the comparatively few answer the question. Sir, the number of very rich men now on the stage compared with fifty years ago is to the thoughtful a suggestive fact. I remember well that in my boyhood the wealth of Stephen Girard, of Philadelphia, was estimated to be $4,000,000, a sum the contemplation of which filled the minds of that period with amazement at its colossal proportions; and yet, Mr. Speaker, $4,000,000 is a sum counted as a small fortune by the rich men of this country to-day, hundreds of whom count their millions by scores.

Let me be understood. I am not here to charge the men of large fortunes with being bad men; they have exhibited by their energy, perseverance, and shrewdness their capacity to avail themselves of the favorable circumstances which have surrounded them, men no worse nor better than the countless multitudes of less fortunate ones; but what I desire to point out is that while wealth has been produced on a scale justified by the vast resources and rapid development of our country for some cause it has found its way into the hands of the few.

HOW HAS THIS BEEN DONE?

The contest between labor and capital has not been an equal one, and for the following reasons:

1. The laboring man has not hitherto fully comprehended the power and importance of labor either to himself or to society. Taught to consider labor a curse, it has been accepted as such, and endured with no hope of escape from its weary burden. He has but recently begun to awake to a comprehension of the true dignity of labor and of his own responsibility as a laboring man. In no previous period in history and in no other country but this has labor enjoyed so grand an opportunity to assume its true position as a leading force in civilization.

2. Labor has not been organized for its own advancement and defense. Organization, combined action, the gathering together of numbers, of elements of strength, has come to pervade almost every department of human effort save that of labor.

3. Organizations wielding capital under corporate powers have taken advantage of labor. In conferring corporate powers on organizations such wholesome and just restraint as should have been provided for by State and national legislation has been overlooked—I will not say for a purpose—and the consequence has been damaging to the interests of the public in general, and particularly of labor. Why, Mr. Speaker, these corporations have claimed that they were persons in such a sense that the corporate powers conferred on them were so sacred and omnipotent as to put them beyond the control of the very powers by which they were created.

Acting under these unjustifiable assumptions corporations, and especially railroad companies, have thrust into the channels of business an alarming amount of stocks that have neither cost nor real value—a fiction, in fact, as baseless as the fabric of a vision. To illustrate the proposition just made, here is a railroad which has been constructed at an actual cost of $30,000 per mile, including rolling-stock and terminal facilities. Now, we find that this road is a really needed facility for the travel and transportation of the country through which it is laid, and no right-minded man wishes its projectors anything but good returns for the actual investment made. In times of general prosperity, when all kinds of enterprises are being pushed forward, when labor is fully employed and wages are good, everything moves off smoothly and with satisfaction to all.

But during all this time the law of things is at work and is bringing to its inexorable test every value, whether real or fictitious, that has been placed either on the railroad in question or the articles it transports. It turns out at length that the railroad of which we are speaking has been bonded for all that it would cost to reproduce it, and that in addition thereto there has been issued in shares a sum equal to what it would cost to build another road with equal facilities for business. These shares are held probably by innocent purchasers who expect their dividends to be paid as certainly as the holder of the bonds expects his interest. This railroad, it must be borne in mind, is run and managed by a company which has had conferred upon it strong corporate powers. It has a board of directors and executive officers chosen for their supposed ability to make the property pay interest and dividends on, if not double its actual cost, certainly double what it would cost to reproduce it.

Meantime agricultural products and manufactured articles, together with the output of the mines, which constitute the bulk of freight for the railroad we are considering, have become lower in price, and for that reason the owners of the freight ask a reduction of transportation rates. Enough remains of competition among railroads, in spite of all pooling arrangements, to secure a material decrease in freight rates, and in consequence the business qualities of railway managers are taxed to their utmost to work out the conundrum of making the property earn enough to pay dividends on twice its value.

Now, Mr. Speaker, in what way does the manager of this corporation try to keep up the double payment expected of him? Why, sir, he turns his whole effort to a reduction of expenses, which, in the main, means a reduction of the wages of the men by whose skill and labor the railroad is made to do its work. He enters upon this business in the name of a corporation that can not sympathize with human wants. Looking through only corporate eyes, he sees an overcrowded labor market, and is easily persuaded that it is right to avail his principals of the necessity which impels men in their need to accept of wages totally inadequate to supply their wants.

Now. Mr. Speaker, who can not see that the laborer, standing alone and without the aid of organization, would be powerless to resist any demand that the corporation might make, and who can tell to what straits he might thus be driven?

Here, Mr. Speaker, the trouble begins. This opens the pandora box from which has sprung more of the depression that has prevailed throughout the country than from any other one cause. The mistake has been made of supposing it possible to depress labor without injuring manufactures, commerce, and in the end capital itself.

THE REMEDY,

Mr. Speaker, is twofold—first, from the action of the laboring man himself, and, second, from the action of the Government in his behalf; and from these two sources there must come a complete triumph of the right and a great gain to all.

The first to consider is the action of the laboring man.

God has ordained that man shall be the arbiter of his own destiny. If he achieves results worthy of his superior nature, it must be done through persistent and well-directed effort; he must win for himself the crown that he must wear. The man of labor needs to understand this, and to accept in its full force the utterance of the world's greatest philosopher, "Whatsoever a man soweth that shall he also reap." The conditions of his success are vigilance in maintaining the rights of labor coupled with industry, sobriety, and economy. Government can not legislate these qualities into his possession; they must be acquired by his own effort, and all that the true man demands is fair protection while he wins his own way.

But, sir, in thus winning his way it is the right of all men to combine with each other, if by so doing greater results can be achieved. It is the right of the capitalist to combine with others to carry through enterprises which promise good returns. The manufacturer and the commercial man enjoy the same privilege; in fact, combined effort is in-

dispensable to material progress and a high civilization, and whoever seeks to deprive the man of labor of the benefits of combined organized effort is unwilling to concede to others what he claims for himself.

Co-operation is only a form of combination, and it is, in my opinion, one of the most effective methods by which labor can secure to itself a fair share of the wealth produced.

Co-operation will secure to those who labor under it profits now enjoyed by others, but to be successful there must be a full exercise of those noble qualities of mutual confidence and trust which belong to no particular class. It will, moreover, tend to fasten in the minds of all who participate in it more accurate knowledge of business and higher ideas of individual responsibility. By co-operation labor will avail itself of the benefits of labor-saving machines, and to labor this benefit justly belongs. In short, it is in the power of labor through co-operation in production and distribution to make capital its faithful servant.

This brief statement of what must devolve on labor brings us to discuss the other source of remedy—the Government.

Mr. Speaker, I am not unmindful of that class of philosophers who maintain that the true functions of government are exhausted when it has so far acted as to become a persistent police force which effectively preserves the property of the citizen from being stolen and his life from being taken by the lawless; that all else is better achieved by the individual himself, and that in the end the best results will be attained by surrendering every individual member of society to that law which is called "the survival of the fittest." This philosophy would expose labor to the same competition as cotton and wheat are subjected to, and as a result it must often occur that the laborer may be obliged to accept a wage so low that the loss of employment for a short period in consequence of sickness or any other misfortune must make him a pauper.

Sir, I protest against such a division of the proceeds of labor. The poorest born of all who toil have a right to more than will keep them from the poor-house. They have a right to accumulate and to pass on from the condition of dependence to independence; and I maintain that in our rich country under our institutions hopeless poverty should be confined to the imbecile, the intemperate, and the sluggard.

The proper function of government is to protect the weak and restrain the strong, that all may have a fair chance in fighting the battles of life. The mission of the Republic is to make its millions of citizens equal before the law—none so weak as to be forgotten or neglected by it, and none so strong as to defy its power.

Sir, this law of "the survival of the fittest" applies to nations as well as to individuals; and, sir, the only condition upon which it is possible for our Government to survive is that we faithfully adhere to the principles of liberty, fraternity, and equality upon which it was founded.

It is well, Mr. Speaker, for Congress to pass laws legalizing arbitration, providing for labor organizations, shortening the hours of labor, and, if you please, maintaining as far as possible the payment to Government employés of a fair wage; but, sir, I submit that all these enactments fall far short of reaching a true solution of the labor question. Sir, there are other and more far-reaching measures which should be adopted as the policy of the Government, and these measures the men of labor in this country study and comprehend.

The true Knight of Labor asks for no special privileges; a fair deal is all he wants. He wants less of honeyed phrases and more legislation in the interest of the whole people.

He wants an ample currency of gold and silver and Treasury notes issued by the Government and endowed by it with all the functions of money.

He wants a system of internal improvements carried steadily forward that shall serve the interests of agriculture, manufactures, and commerce.

He wants protection to American manufactures, to the end that labor may be diversified and employed.

He demands that the laws against the importation of contract laborers and foreign paupers be rigidly enforced.

He asks that we build our own ships from the products of our own mines and forests, in our own workshops, to the end that we may not only be a free but an independent nation.

He asks that a liberal expenditure of money be made to aid in carrying the mails and manufactured articles of our citizens to such countries as are contiguous to our shores, where such articles are in demand, to the end that our exchange of commodities with those countries may give additional employment to labor and enhance the prosperity of all our people.

He asks, moreover, that law and order be maintained; he has no sympathy with the incendiary, the dynamiter, nor the communist, and is in favor of settling labor disputes by arbitration instead of a resort to strikes, which are his last and least desirable means of redress.

He claims that labor has as good a right to be organized under law as capital; and to show the necessity of such organization he points to the corporations under which railways, banks, manufactories, land companies, and cattle companies have carried on their operations and have grown rich, in many instances, as they believe, at the expense of labor; and for this legal organization of labor this bill provides.

He asks that the public domain be placed beyond the power of such land-grabbers as have for years been engaged in unlawfully obtaining titles to large areas of the best lands, to the end that the actual settler only shall have for himself a home for his own tillage, and not for speculative purposes.

In short, he asks that the legislation of Congress shall recognize the fact that in its grand march forward the Republic has safely passed the crisis of internecine war and has entered upon an era of peace, and that now and henceforth the tremendous power of the millions of our laboring men may be so directed as to promote the prosperity and happiness of all.

The present House of Representatives has passed an arbitration bill. The Senate has sent here this bill to provide for the legal organization of laboring men, which, when passed by this House, will, with the arbitration bill, be steps in the right direction.

We have before us another bill for the organization of a department of industries, to be presided over by a secretary who is to have a seat in the Cabinet. To this department it is proposed to confide the interests of agriculture, commerce, manufactures, and labor, with a commissioner for each, and through which correct statistics can be promptly furnished for guidance in required legislation. These are all important measures, which I trust may become laws that may prove effectual aids in securing to productive industry its appropriate influence in the councils of the nation.

Mr. Speaker, I will close by repeating that I am not alarmed by the agitation of the labor question; it is an agitation legitimate and inevitable. It is impossible to determine at this time the precise manner in which the great questions involved will be finally settled, but, sir, it is safe to assume that in the end labor will be exalted to its true position among the forces which move society forward. Whether labor be intelligent or not it produces all the wealth that exists; but with intelligence the laborer will not only produce wealth, but will wield it for his own advancement and for the happiness of all.

Sir, I look upon the organization of labor with intense interest. It has, it seems to me, come to lead the nation in taking that great step in the onward march to a higher and better civilization in which the masses, the wealth-producers, the tax-payers, the musket-bearers, are to make their full impress on the policy of the Government. It is a new departure; nothing like it has been done in the past. In no previous period and in no other government have the conditions for success been furnished as is the fact here and now. This exaltation of labor to its rightful position is a necessary sequence to the abolition of slavery—it is the emancipation of labor itself. A fearful responsibility rests upon the leaders of the labor movement; they need intelligence and virtue; they need wisdom and forbearance; they must have unfaltering devotion to principle; and with these qualities the struggle will not be long-continued, nor the victory uncertain.

Oleomargarine.

SPEECH

OF

HON. WILLIAM WARNER,

OF MISSOURI.

IN THE HOUSE OF REPRESENTATIVES,

Friday, May 28, 1886.

The House being in Committee of the Whole, and having under consideration the bill (H. R. 2328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine—

Mr. WARNER, of Missouri, said:

Mr. CHAIRMAN: I have carefully examined the provisions of the bill under consideration. The remarks of the gentlemen who urge its passage with so much zeal and eloquence have received my earnest attention. We are conjured to pass this bill for the relief of the languishing agricultural interest of our common country. Eloquent word painters have held up to us the picture of the farm, once the home of prosperity and happiness, now desolated by the ravages of oleomargarine. The gentleman from Wisconsin [Mr. PRICE] makes the startling announcement that the manufacture of this vile compound caused "three hundred thousand milch cows" to be slaughtered in Chicago last year, while the gentleman from Illinois [Mr. HOPKINS] exclaimed:

The baleful results of these frauds (oleomargarine and butterine) are seen everywhere among the farmers and dairymen. Mortgages are being placed upon the farms. The once fine herd of cows, the pride of the farmer, is lessening in numbers. * * * The proprietors and managers of the creameries and butter and cheese factories are failing and making assignments for the benefit of their creditors. An almost complete prostration and stagnation of the dairy interest of the country is inevitable unless Congress comes to their relief.

The relief asked is the passage of this bill; it is the panacea for all the ills that now afflict the agriculturist of the land.

Representing as I do on this floor three of the most fertile counties

in the United States, I am the friend of all legitimate legislation in their interest. Yet, sir, without questioning the honesty of the gentlemen who advocate this bill, I am constrained to believe that in their zeal they drew largely on their imagination for their facts, and have no warrant in the Constitution for the remedy they propose. The distinguished Representative from New York [Mr. HISCOCK], in answer to the argument that the legislation proposed is in violation of the Constitution, says:

Do gentlemen tell us that in enacting this taxing law we are violating the Constitution? Well, Mr. Chairman, if we are I will take my part, and I hope you will take your part in violating the Constitution in voting for the passage of this bill.

To what extremities are the champions of this proposed legislation driven when their leader is compelled to make such a declaration? Mr. Chairman, let me express the wish that neither you nor I will violate the Constitution upon the ground that one class of our citizens may derive a benefit at the expense of another or for any other reason. Be not deceived—the farmers, the bone and sinew of this country, do not ask that you or I violate the Constitution established by the fathers, even though the dairy interests of the land may be benefited thereby.

I, for one, do not believe in the doctrine that the end justifies the means. Nor am I here in my representative capacity the blind follower of any man. Therefore I can not go with the gentleman from New York [Mr. HISCOCK] in following the beck and nod of my distinguished colleague from Missouri [Mr. HATCH]. That I may do that gentleman [Mr. HISCOCK] no wrong, let me quote his language:

Whenever the Committee on Agriculture wish to change any of the provisions of this bill I shall, for one, vote with them, and I propose in voting to stand by this bill, letter by letter, line by line, section by section, until I receive a sign from the chairman of the committee.

Greater faith in a leader than this hath no man. Should he be like the children of Israel who looked in vain for a sign, how then will he and the faithful vote? Let me congratulate my colleague. He has a distinguished and unquestioning disciple—one that only awaits a sign to come or to go.

It is the plume of Missouri that is followed blindly and trustingly by the distinguished son of New York. I should feel proud of the honor thus conferred upon my State could I feel assured that my colleague was not being used as an instrument to crush out an industry in our country for the express purpose of building up another. Be this as it may, being a new man, accustomed to voting for what I believe to be right and against what I believe to be wrong, holding myself responsible alone to my conscience and my constituents for my vote upon this bill or any amendment thereto, I must most respectfully decline to join those who stand with my friend from New York, however much I may and do admire him, in looking toward my colleague for a sign before giving my vote. [Laughter and applause.]

Mr. Chairman, it is my purpose to notice some of the arguments that have been made during this discussion as to the wholesomeness of the product called oleomargarine. Not being a chemist, never having analyzed oleomargarine to find out its constituent elements, I must rely upon the opinions of those who are recognized authorities upon such questions. As the result of my own investigations I know practically nothing as to the wholesomeness or unwholesomeness of oleomargarine, and I trust I may be pardoned for saying that I know just as much as many of the gentlemen who have been talking so learnedly and displaying so much knowledge of chemistry on this question. [Laughter.]

One gentleman [Mr. HISCOCK] says: "You can, and they do, in the main, manufacture it (oleomargarine), so that it is a little less than poison." Not satisfied with that definition, he adds, "I amend my remarks and strike out 'little less than;'" so that leaves it as manufactured, poison pure and simple. He is not satisfied even by branding it as poison, but goes on to say it has "collected in it the germs of all the diseases which afflict animals; * * * it is absolutely a poison in the human stomach, freighted with disease, freighted with death." He does not enumerate the animals that are used in the manufacture of oleomargarine; it is left for the gentleman from Wisconsin [Mr. PRICE] to enlighten Congress upon that question. He charges that "offal from the butcher shops, the decayed and decaying carcasses of the stock-yards, and dogs killed because suspected of being affected with rabies, are being worked up into the oils and fats that go to make up the infernal compounds."

These are but samples of, may I say, reckless assertions that have been made time and time again by the friends of this bill during the discussion. I might retort if I would that the gentlemen making these assertions know as little of the constituent elements of oleomargarine as did the "scarlet woman of Babylon of the immaculate conception." To such desperate straits are the advocates of this bill driven that they brand citizens engaged in the manufacture of oleomargarine—the men who conduct the great packing-houses of our country—as thieves, counterfeiters, and robbers. Some of these men I have the honor of knowing, and here hurl back the base slander and say that they are the equals in morality, integrity, and in everything that goes to make up a good citizen with any member upon this floor. No man would have the temerity to make such a charge against these gentlemen in the community in which they live; but if any one should he would be saying what every man, woman, and child in that community knew to be untrue. Yes, Mr. Chairman, each of them could truthfully exclaim against such charges—

> And if thou sayest I am not peer
> To any lord in Scotland here—
> Lowland or highland, far or near,
> Lord Angus, thou hast lied.

I trust I shall be pardoned this digression, but, sir, I feel I could not have said less.

Let us return to the "infernal compound," to use the language of my friend from Wisconsin. How are we to determine whether or not it is deleterious to health; whether or not it is freighted with disease and death; whether or not when it is taken into the human stomach it takes with it all the diseases which animal life is heir to; whether or not it is a poison pure and simple? All of these and more have been charged. What is the evidence in support of the indictment? Let us as legislators try if by searching we can ascertain the truth without regard as to which side of the controversy controls the most votes. In the investigations of this question let us apply two tests: our own observations of the effect of oleomargarine upon the human system; and, secondly, the opinions of those who are recognized as the best authority upon the wholesomeness of all food products.

It is asserted, and not denied, that the annual consumption by the American people of oleomargarine is 200,000,000 pounds, nearly 600,000 pounds a day. The popular impression is that a deadly poison, "freighted with disease, freighted with death, having collected in it all the germs of disease which afflict animals," when taken into the human stomach in sufficient quantities produces death. Certainly, if the oft-repeated assertions of the friends of this bill are to be believed, there is no longer any room for a reasonable doubt as to the deadly quality of this poison, commonly called oleomargarine. The quantity consumed by this people is sufficent to kill every man, woman, and child in the nation if the compound is "as black as painted." Either the assertions of the gentlemen are groundless, or our people "bear charmed lives."

Many of the champions of this bill seem to mistake invective and denunciations for arguments, bald assertions for facts, and to be governed by prejudice rather than reason. The facts are that our people are not killed or diseased by this food product called oleomargarine. It is not a poison, but a wholesome substitute for butter. If it is a poison as charged, and consumed in such large quantities by our people, is it not strange that our death rate compares most favorably with that of all other civilized countries? The tables on mortality do not show an extra death.

The low death rate in this country is considered to be due to the comparative absence of overcrowding and the more general and equable distribution of the means of supporting life, including especially the abundant food supply of good quality for all classes of people.—*Compendium of Tenth Census*, page 1706.

This legislation proposes by imposition of exorbitant licenses and levy of prohibitory taxes to strike down one of the articles that enters into the "food supply" of our people regardless of the fact as to whether it is wholesome or unwholesome, not for the purpose of cheapening any food product, but for the avowed purpose of protecting another interest and advancing the price of another food product.

I subscribe fully to the doctrines, each industry of America is for all, all American industries for each, but American industries against the world. [Applause.]

I will not give my vote to array one industry of my country against another, to tax one industry out of existence that another may put money in its pocket, however worthy or honorable may be the industry thus sought to be benefited.

Sir, let us now consult acknowledged authority as to the constituent elements of that food product commonly called oleomargarine. It resembles butter, and is used by many for butter and as butter. The gentleman from New York [Mr. HISCOCK] says: "It is not within the power of any man unless he has scientific attainments and brings analysis or the microscope to bear upon it [oleomargarine] to distinguish the poor article, the poison, from the good."

It is my purpose to produce for the consideration of this House the testimony of Prof. Henry Morton, president of the Stevens Institute of Technology, in Hoboken, N. J., a man of national reputation as a scientist. In his sworn testimony, given in a case in the northern district of Illinois, he says:

For more than twenty years the greater part of my time has been devoted to the study of subjects of chemistry and physics, involving constant experimenting in their lines.

That is, chemistry and physics in connection with the practical application of these sciences to the industrial arts. He further testifies:

When the artificial butter or oleomargarine first made its appearance in this country I was interested in it from a scientific standpoint, and also because my opinion was asked professionally as to the possibility and means of discriminating it from natural butter, or detecting it or determining its amount when mixed with natural butter. This led me to a long series of experiments on natural butter, various fats, and different specimens of oleomargarine. * * *

Q. State fully what improvement having in view the utilization of fatty substances for food purposes is described in said letters patent and recited in the claims thereof.

Professor MORTON. The essence, as I understand it, of the Mége invention described and claimed in these patents, consisted in the production of a fatty

substance having the constituency and essentially the constituents of natural butter, this being obtained from the ordinary animal fats by a treatment which may be naturally divided into steps or stages. The first of these consisted in rendering the animal fat under such conditions of cleanliness and temperature, as secured a pure fat free from membranous or like animal matter, and also from any of that peculiar odor well known as characterizing ordinary tallow. The second stage consisted in the removal from this pure and sweet rendered fat of the greater portion of the stearine which it contained, thereby leaving its composition, as to its main constituents, identical with that of natural butter. This second stage in the process was conducted by allowing the melted fat to cool gradually to a temperature of about 86° to 98°, thereby causing the stearine to crystallize, and so separate itself from the other constituents of fat throughout the mass.

By pressure in cloths this separation of the stearine was completed, the stearine remaining in cloths, while the fatty matter freed therefrom ran through and was collected separately, producing a material which, as I have said before, as regards its main constituents, is essentially identical with butter. The preparation of this material, now known as oleomargarine oil, having been described, the Mége patent further directs how this shall be treated, mechanically and otherwise, so as to produce a product which not only as to its general constituents, but as to all its constituents, shall be identical with natural butter, the only difference being a slight difference in proportion of those constituents which chiefly affect the flavor of natural butter. This last-mentioned stage in the process is affected by an agitation of the oleomargarine oil with milk, cream, or similar aqueous fluid, by which a permanent solid emulsion is produced.

* * * * * * *

Q. Prior to the discovery of Mége, what were the methods of rendering fatty substances for the various uses in the arts and for domestic purposes, which are known to you as a man of science, from the descriptions contained in the literature relating to the subject, or of which otherwise you have knowledge?

A. The most general and all but universal method, was to heat the fat more or less, thoroughly cleansed and broken up or comminuted beforehand, to a temperature above that of boiling water, which would drive off the water contained in the membranes inclosing the fat, and thus cause them to shrink and crack and allow the fat to escape, the shrunken or dried membranes being known as "cracklings." Occasionally the fat, together with water, was placed in a closed vessel and heated to a temperature much above that of boiling water, under which conditions the superheated water attacked and dissolved the delicate membranes, and so liberated the proper fat. Where, as in the case of perfumers, it was desirable to obtain a fat specially free from strong or offensive odor, it was customary to break up or pulverize the crude fat to a great degree, and then exercise great care in applying the heat, so as to render the fat at a low temperature. But even in this case it would appear the heat employed was fully up to that of boiling water.

Q. What effect has the employment of comparatively low and comparatively high temperatures in the rendering of animal fats upon the character and qualities of the contents of the membraneous cells containing a homogeneous mixture of the constituents of fat?

A. If the fat is rendered at a comparatively low temperature, and yet with rapidity, so that it is not kept too long in contact with the membraneous matter, the contents of these cells, as so extracted, will be entirely free from the peculiar flavor familiar to all as that of tallow. If, however, a temperature high, as compared with this, is employed, this tallowy flavor will be communicated to the contents of the cells; and if the rendering is conducted at yet higher temperatures, so that portions of the membrane and even of the fat are decomposed, a very strong empyreumatic or burnt flavor will be communicated to the rendered fat or extracted contents of the cells. * * *

Q. State what, chemically considered, are the identities and differences between oleomargarine oil obtained from the rendering of animal fats by the process described in the said Mége patent and the constituents of dairy butter made by the ordinary processes from cream of milk?

A. Both alike consist of oleine, margarine, and stearine in equal proportions, in either case. That is, the proportion of each of these ingredients in the oleomargarine oil is the same as in natural butter. In natural butter there is, however, a small amount of fatty body, analogous to the others, but yet quite distinct in many respects, known as butyrine. There is also in natural butter a certain amount of casein and minute quantities of several other proximate principles derived from the milk. All ordinary butter also contains a varying amount of water, and usually a portion of salt. One of these, except perhaps a little salt, would be found in the oleomargarine oil.

Q. State whether, chemically considered, the butter product obtained by the process described in the said Mége patent is the same or different from the butter product obtained by the usual processes from the cream of milk; and in what particular, if any, the two products are distinguishable from each other as articles of food?

A. The butter product described in the Mége patent, which is, of course, a different thing to the oleomargarine oil to which I have just referred, is qualitively in all respects identical with natural butter; that is to say, all the substances found in natural butter are likewise found in the butter product of the Mége patent. But there is a slight difference in the proportionate amounts of some of them. Thus, while the oleomargarine and stearine will be found in like amounts in both materials, there will be less butterine and probably also less casein in the product of the Mége patent. The amount of water and salt, however, will usually be the same in each. As articles of diet, I should not say there was any difference except as to the question of delicacy or richness of flavor, in which the best dairy butter will surpass oleomargarine butter, while oleomargarine will in turn surpass lower grades of dairy butter.

Permit me now to call attention to the evidence in the same case of Professor Charles F. Chandler, professor of chemistry in the academic department and in the school of mines of Columbia College, in the College of Physicians and Surgeons, and in the New York College of Pharmacy, and who was for fifteen years connected with the health department of the city of New York, at first as its chemist and for eight years as its president. Even the gentleman from New York [Mr. HISCOCK] must acknowledge the high standing of Professor Chandler, and will not, I assume, contend that his opinions and evidence are not entitled to the highest credit. Professor Chandler says:

I was educated as a chemist at Harvard College and at the universities of Goettingen and Berlin, and attended the regular courses of lectures at the universities on general chemistry and upon the chemical arts. Since 1857 I have been engaged as an instructor of young men preparing to become professional chemists, and I have constantly had charge of chemical laboratories in which my students had been engaged in experimental study. It has been my duty to go over the whole field of theoretical and applied chemistry; and at the College of Physicians and Surgeons I am obliged to give a course of lectures on the chemical arts at the school of mines. For many years I was editor of the American Chemist, and I was the chemical editor of Johnson's Encyclopedia. I have also been frequently called upon to make chemical investigations for manufacturers, and have frequently been consulted and given evidence in patent litigation.

Q. State fully what experience you have had in the investigation of the preparation, properties, and constituents of fatty substances, with a view to their utilization in the useful arts?

A. As I grew up in New Bedford the treatment of fatty bodies, especially whale and sperm oil, was the first chemical industry that I became familiar with, and this seemed to create a special interest in the chemistry of the fats. From my connection with the health department of the city of New York, it has been my special duty, for the last dozen or more years, to pay particular attention to the various establishments in the city which are devoted to the treatment of the fats, and which are consequently liable to send out offensive odors. I was an expert in the famous Tilgham litigation with regard to the fatty acids, and I have been personally familiar with the chemistry of oleomargarine and artificial butter ever since the first sample prepared in this country was manufactured in my laboratory.

Q. State whether and, if at all, to what extent you have investigated by analysis or otherwise oleomargarine, or artificial butter made from oleomargarine?

A. I have frequently investigated both the oleomargarine and the butter made from it. The first experiment in this country was made in my laboratory, if I remember right, in 1872 or early in 1873, and I have visited repeatedly factories in which either the oleomargarine or the artificial butter from it, or both, were manufactured. I have also conducted experiments at various times on this subject both in my laboratory and in the factories.

In speaking of the discovery of Hippolyte Mége, the celebrated French chemist, in the treatment and utilization of fatty substance for food purposes, that the French people might be supplied with a wholesome and cheaper substitute for dairy butter, Professor Chandler says:

Mége, from a course of inductive reasoning, made the brilliant discovery that bovine fat could be converted outside of the animal into a sweet, inoffensive, palatable article of human food—a discovery which has revolutionized the industries which depend upon the utilization of bovine fat or beef suet. The reissued letters patent, and the description contained therein, exhibit the processes which Mége invented for reducing his discovery to a practical industry. In carrying out his invention he seeks to secure three separate and distinct results:

I. To extract from the adipose tissues in the animals the fatty substances, free from the peculiar and offensive odors and taste which had heretofore invariably characterized them as prepared by the previously known processes.

II. To divide the fat thus obtained into two portions, one of which, namely, the stearine, should be harder than the original fat, while the other, the oleomargarine, should be softer and more fusible, and should possess the peculiar consistency of the butter fat obtained from the milk of the cows.

III. To convert this oleomargarine into a product having all the physical and chemical properties of dairy butter.

In carrying out his invention he secures the first object by thoroughly disintegrating the fat, subjecting it to a slightly elevated temperature, and at the same time submitting it to the action of gastric juice. To secure the second result he cools the molten fat to such a point as to cause the stearine to crystallize out in solid particles which are separated from the still liquid oleomargarine by straining under pressure. This oleomargarine he then converts into artificial butter by incorporating it, while still liquid, with milk and cream, adding a certain quantity of mammary tissue and coloring matter, and working the product after it has been solidified between rollers.

Mr. Chairman, I do not flatter myself that I shall change the preconceived opinions of any member of this House who has determined to pass this bill "letter by letter, line by line, sentence by sentence," as it came from the hands of the Committee on Agriculture, unless a sign shall be given by the distinguished chairman of that committee to the contrary. The testimony of this distinguished chemist, as well as that of others of scarcely less eminence, established the fact beyond controversy that what is commonly known as beef suet can be converted outside of the animal into a sweet, inoffensive, palatable article of human food. What are the principal constituents of animal fats? What is the condition and how contained in the living animal, and what change in their physical constitution occurs after the death of the animals? Let Mr. Chandler answer.

The principal constituents of animal fats are the three simple fats, stearine and palmatine, which are both solid at ordinary temperature, and oleine, which is liquid at ordinary temperature. In the older works on chemistry, and in the literature and patents relating to the discovery and invention of Mége, the term margarine is generally employed instead of palmatine, and in my deposition I shall therefore drop the latter term. In the living animal the fat is in a molten condition, being liquid at blood heat. It is contained in little cells composed of a thin membrane which are held together in masses by coarser membranes and which are penetrated in every direction by blood vessels, the whole constituting what is called the fatty or adipose tissues of the animals. After the death of the animal, when the temperature has fallen from a blood heat to the ordinary temperature of the atmosphere, the fat in the cells solidifies or chills, and the whole adipose tissue after its removal from the animal is known as beef suet.

Chemically considered, the identities and differences between oleomargarine obtained from animal fats and the principal constituents of dairy butter made by the ordinary processes from the cream of milk is thus described by Mr. Chandler:

The oleomargarine, after it has been separated from the stearine, is composed in greater part of exactly the same simple fats as the dairy butter, namely, oleine, stearine, and palmatine (margarine).

The dairy butter, however, contains, in addition to these, a small proportion of other simple fats which are not contained in oleomargarine. The chief and most important of these is butyrine.

The dairy butter also contains casein, coloring matter, salt, and water.

Chemically considered, the artificial butter contains each and every one of the constituents found in dairy butter and the two exhibit the same degree of hardness and the same texture. The only chemical difference between them is found in the proportion of the less abundant simple fats, which I mentioned in my last answer, of which buttyrine is the characteristic example. Dairy butter contains a somewhat larger proportion of these minor constituents than does the artificial butter.

As an article of food the artificial butter is in all respects essentially identical with the dairy butter, and the two are not distinguishable from each other in ordinary use. It may be said, however, that the artificial butter does not exhibit the high flavor of the best grades of dairy butter. On the other hand, the artificial butter does not exhibit the peculiar taste and odor which usually characterizes the lower grades of dairy butter and which render them so offensive to the cultivated taste of consumers.

In 1880 the Legislature of the State of New York requested the board

of health of the city of New York to investigate the subject and report whether in its opinion the butterine is a wholesome article of food. In response to this resolution the board of health, after a careful and exhaustive investigation, stated "that in its opinion there is no sanitary objection whatever to the unrestricted manufacture and sale of this substance."

In support of the unqualified opinions given by Professors Chandler and Morton, indorsed by the leading boards of health of the principal cities, I wish to cite the result of the investigations of other chemists of undoubted probity and unquestioned scientific attainments, men whose statements are entitled to full faith and credit.

Professor George F. Baker, of the University of Pennsylvania, stated:

In practice, the process of manufacture, as I have witnessed it, is conducted with care and great cleanliness. The butterine produced is pure and of excellent quality, is perfectly wholesome, and is desirable as an article of food.

Professor Charles P. Williams, analytical chemist, late director and professor Missouri school of mines, State University, gives the following:

In respect to its chemical composition it is fairly the equivalent of the best quality of dairy butter. I will add further that owing to the presence of a less quantity of volatile fats the keeping qualities of the oleomargarine butter are far superior to those of the dairy products.

The testimony of Dr. Henry A. Mott, of New York, analytical and consulting chemist, is that:

Having been acquainted for the past six years with the process of the manufacture of the product called oleomargarine butter or butterine, and having made numerous microscopical and chemical examinations of the product, I am clearly of the opinion that the product called oleomargarine butter is essentially identical with butter made from cream; and as the former contains less of those fats which, when decomposed, render the product rancid it can be kept pure and sweet for a much longer time.

The opinions expressed by the foregoing eminent scientist are fully sustained by the opinions by Professor S. C. Caldwell, of Cornell University; Professor S. W. Johnson, of Yale College; Professor C. A. Gressurman, of the Massachusetts Agricultural College. Their statements are set out in full in the four hundred pages of printed evidence in the case of The United States Dairy Company *vs.* Benjamin Shoeman *et al.*, in the United States circuit court for the northern district of Illinois. A careful perusal of the voluminous evidence in that case might serve at least to demonstrate to the same of the chemist on this floor, how little the chemist and scientist, who are not members of this House, know as to whether the food products, known to the commercial world as oleomargarine and butterine, are noxious or innoxious. Yet I trust gentlemen who have talked so learnedly about these products, calling them "infernal compounds," "bull butter," made from the decaying carcasses of "dogs killed because suspected of being affected with rabies," "poisons freighted with disease and death," will forgive the chemist whose opinions I have quoted and may cite, because they differ from them. They have never been members of Congress, therefore "forgive them, they know not what they do."

Let me give other instances. Professor J. W. S. Arnold, of the medical department of the University of New York, in speaking of the manufacture of oleomargarine butter or butterine, said:

That I have seen and tasted at the factory each and every ingredient employed; that I have made thorough microscopical examinations of the materials used and of the butter; and I consider that each and every article employed in the manufacture of oleomargarine butter or butterine is perfectly pure and wholesome; that the oleomargarine butter differs in no essential manner from butter made from cream; in fact, the oleomargarine butter possesses the advantage over natural butter of not decomposing so readily, as it contains fewer volatile fats. In my opinion, oleomargarine is to be considered a great discovery, a blessing for the poor, and in every way a perfectly pure, wholesome, and palatable article of food.

Professor W. A. Atwater, of the Wesleyan University at Middletown, Conn., gave his opinion in the following strong language:

A consideration of the materials used, the process of manufacture, and the chemical and microscopical character of the butterine seems to me to justify the following statements: As to its qualitive composition, it contains essentially the same ingredients as natural butter from cows' milk. Quantitatively, it differs from ordinary butter in having but little of the volatile fats which, while they are agreeable in flavor, are, at the same time, liable to rancidity. I should, accordingly, expect butterine to keep better than ordinary butter.

The best evidence within my reach indicates that just such is the case. The butterine is perfectly wholesome and healthy, and has a high nutritious value. The same entirely favorable opinion I find expressed by the most prominent European authorities—English, French, and German—who are unanimous in their high estimate of the value of the "Mége discovery," and approval of the material, whose production has thereby been made practicable.

Mr. BEACH. What is the date of that statement?

Mr. BROWNE, of Indiana. What has that to do with it?

Mr. BEACH. It has a great deal to do with it.

Mr. WARNER, of Missouri. The evidence contained in the four hundred printed pages which I hold in my hand was taken in 1881.

Mr. BEACH. They made it purer then than they do now.

Mr. WARNER. The remark of the gentleman would indicate that such eminent chemists as Professors Chandler and Morton if called upon now would give different evidence. It is strange that no word to the contrary is produced from either of these learned scientists. The admission is that the oleomargarine made up to and including 1881 was all that these chemists claim for it. To break the force of that admission we are informed by the gentleman from New York [Mr. BEACH] that "they made better then than now." Is not the contrary of that assertion true?

The fact is that the manufacture of oleomargarine has reached that point when the product looks like butter, tastes like butter, smells like butter, and answers all the purposes of butter. It competes to-day with dairy butter in the markets of the world. Were it not so this legislation would never be demanded. Yet the gentleman from New York [Mr. BEACH] demands later evidence than that given in 1881. I will try to accommodate him. He and his colleagues from New York represent the largest dairy interest in the United States. In 1882 the Legislature of the State of New York enacted stringent laws furnishing ample protection against fraudulent imitations of dairy butter or the sales of such imitations as genuine. These laws require that every person who shall manufacture for sale, or offer for sale, or export any article in the semblance of butter, not the legitimate product of the dairy, must distinctly and durably stamp on the top and side of every tub, firkin, or package, the words, "oleomargarine butter."

Notwithstanding this legislation oleomargarine butter was manufactured in that State, stamped and branded as such, sold in the open markets as oleomargarine and continued to compete with dairy butter. People bought and ate it knowing what they were buying and eating. Then the dairy interest of that State demanded additional protection against this rival. Accordingly, in 1884, the Legislature of New York, passed a law by its terms prohibiting the "manufacture out of any oleaginous substances, or any compound of the same, other than that produced from unadulterated milk or cream, * * * designed to take the place of butter or cheese produced from pure, unadulterated milk or cream of the same;" also forbidding the sale or offer for sale "of the same as an article of food." The rest of the section excepts "skimmed-milk cheese" from its operations, and subjects to severe punishments by fine and imprisonment "whoever violates the provisions of this section." Early in 1885 one Marx was arrested charged with a violation of this law. It is but fair to assume that the dairy interest of that State was active in the prosecution. I now cite from evidence in that case as given by the learned judge who delivered the opinion:

On the part of the defendant it is proved by distinguished chemists that oleomargarine was composed of the same elements as dairy butter. The only difference between them was that it contained a smaller proportion of fatty substance known as butterine; that this butterine exists in dairy butter only in a small proportion—from 3 to 6 per cent.; that it exists in no other substance than butter made from milk, and is introduced into oleomargarine butter by adding to the oleomargarine stock some milk, cream, or butter, and churning; and when this is done it has all the elements of natural butter, but there must always be a smaller per cent. of butterine in the manufactured product than in butter made from milk. The only effect of the butterine is to give flavor to the butter, having nothing to do with its wholesomeness; that the oleaginous substances in the oleomargarine are substantially identical with those produced from butter and cream. Professor Chandler testified that the only difference between the two articles was that dairy butter had more butterine; that oleomargarine contained not over 1 per cent. of that substance, while dairy butter might contain 4 or 5 per cent.; and that if 4 or 5 per cent. were added to oleomargarine there would be no difference; it would be butter; irrespective of sources, they would be the same substances. According to the testimony of Professor Morton, whose statement was not questioned or controverted, oleomargarine, so far from being an article devised for the purpose of deception in trade, was devised by a French scientist who was employed by the French Government to devise a substitute for butter. (People *vs.* Marx, 99 New York Court of Appeals, 382.)

Testimony was also given in that case that "oleomargarine butter was precisely as wholesome as dairy butter." This evidence was given in 1885. Is that late enough for my friend from New York [Mr. BEACH]? In 1883 the committee on health of the State board of Massachusetts, composed of gentlemen it is fair to presume of intelligence and integrity, after a thorough investigation, report as to oleomargarine:

When well made it is a very fair imitation of genuine butter, being inferior of the best butter, but much superior to the low grades of butter too commonly found in the market. So far as its influence on health is concerned, we can see no objection to its use. * * * As to its prohibition by law, the same law which prohibited it should also prohibit the sale of lard and tallow, and, more especially, all low-grade butters, which are far more injurious to health than a good sweet article of oleomargarine.

* * * * * * * *

The use of substitutes for butter seems to be steadily on the increase in this country. When good butter is at from 40 to 50 cents per pound, it has passed beyond the means of persons in moderate circumstances, and they have the choice of three things—to do without, to use poor butter, or to use some substitute.

To the gentleman who has made the assertion on this floor that this food product is made out of the "decayed and decaying carcasses of the stock-yards and dogs killed because suspected of being affected with rabies," let me commend the following extract from the same report:

A great deal has been said in regard to the poor grade of fats from which the oleomargarine is made. Any one making such assertions in regard to the fats is simply ignorant of the whole subject. When a fat has become in the least tainted it can no longer be used for this purpose, as it is impossible to remove the odor from the fat after it has once acquired it.

The leading manufacturers of oleomargarine in this country court the most rigid investigation both as to the manner of making and the character of the product produced by them. They claim, and their claim is supported by undisputed evidence, that they are engaged in a legitimate industry; that they manufacture a food product wholesome in every respect which is used as a substitute for butter. There is no hidden mystery in its manufacture. They tell you how it is made, and give its constituent elements. They manufacture and sell it for

what it is. P. D. Armour, of the great packing-house of Armour & Co., in his sworn statement, tells you how and of what oleomargarine and butterine are made in his establishment, which is one of the largest in the world. His affidavit is as follows:

STATE OF ILLINOIS, *Cook County, ss:*

Philip D. Armour, being first duly sworn, deposes and says that he is a resident of the city of Chicago, in the State of Illinois, and that he is a member of the firm of Armour & Co.

Deponent further says that said firm of Armour & Co., in the course of their business, makes and sells oleomargarine and butterine, and that this deponent knows of his own knowledge the materials and the methods used by said firm in the making of said products. They are as follows:

METHODS OF MANUFACTURE.

The fat is taken from the cattle in the process of slaughtering, and after thoroughly washing is placed in a bath of clean, cold water and surrounded with ice, where it is allowed to remain until all animal heat has been removed. It is then cut into small pieces by machinery and cooked at a temperature of about 150 degrees until the fat in liquid form has separated from the fibrine or tissue; then settled until it is perfectly clear. Then it is drawn into graining vats and allowed to stand a day, when it is ready for the presses. The pressing extracts the stearine, leaving the remaining product, which is commercially known as oleo oil, which, when churned with cream or milk, or both, and with usually a proportion of creamery butter, the whole being properly salted, gives the new food product, oleomargarine.

In making butterine we use neutral lard, which is made from selected leaf lard in a very similar manner to oleo oil, excepting that no stearine is extracted. This neutral lard is cured in salt brine for forty-eight to seventy hours at an ice-water temperature. It is then taken and, with the desired proportion of oleo oil and fine butter, is churned with cream and milk, producing an article which, when properly salted and packed, is ready for market.

In both cases coloring matter is used which is the same as that used by dairymen to color their butter. At certain seasons of the year, namely, in cold weather, a small quantity of salad oil made from cotton seed is used to soften the texture of the product, but this is not generally used by us.

Deponent further says that no other material or substance except as above stated is used by Armour & Co. in making oleomargarine or butterine.

Deponent further says that he has read the statement made in a report of the Committee on Agriculture to the House of Representatives purporting to give the materials used in making oleomargarine and butterine, and he says that none of the materials or substances therein enumerated are used by Armour & Co. in making said products or either of them except as herein stated.

Deponent further says that he has read a letter dated May 19, 1886, signed Armour & Co., Swift & Co., George H. Hammond & Co., N. K. Fairbank & Co., and Samuel W. Allerton, a copy of which is hereto attached, and he says that the same is the letter of the parties whose names are attached thereto, and that the statements therein made so far as the same relate to Armour & Co. are true and so far as they relate to the other parties signing said letters, he upon information believes them to be true.

And this deponent further deposes and says that no ingredient is or ever has been used by said firm of Armour & Co. in the manufacture of said oleomargarine and butterine which is in any way injurious to health.

PHILIP D. ARMOUR.

Subscribed and sworn to before me this 22d day of May, 1886.

[SEAL.] EVERETT WILSON, *Notary Public.*

Dr. Cyrus Edson, food inspector of the New York board of health, and Dr. O. C. De Wolf, health commissioner of the city of Chicago, give evidence as follows:

CHICAGO, *May* 15, 1886.

GENTLEMEN: It gives us pleasure to say to you that we have recently visited your factory at the Union Stock Yards, in this city, and thoroughly examined the whole process of the manipulation and manufacture of butterine and oleomargarine. We cheerfully testify that we consider the products cleanly, palatable, and wholesome food products, containing nothing injurious or detrimental to health, but, on the contrary, cheap and desirable substitutes for the medium grades of dairy butter.

Yours, respectfully,

CYRUS EDSON, *M. D.*
OSCAR C. DE WOLF, *M. D.*

Messrs. ARMOUR & Co., *Chicago.*

The board of health of the State of Illinois says:

ILLINOIS STATE BOARD OF HEALTH,
OFFICE OF THE SECRETARY,
Springfield, Ill., May 17, 1886.

GENTLEMEN: While engaged in an official investigation with regard to the slaughtering of beef at the Union Stock Yards, accompanied by Dr. Cyrus Edson, food inspector of the New York board of health, and Dr. O. C. De Wolf, health commissioner of Chicago, recently, I witnessed your process for the manufacture of oleomargarine and butterine. By what I saw I am convinced that it is conducted with the most scrupulous cleanliness; that nothing in the manufacture or the materials used is detrimental to health, and that the products are wholesome.

Very respectfully,

JOHN H. RAUCH, *M. D.*

To ARMOUR & Co.

The opinions expressed by our chemist are fully concurred in by the leading scientists of England, France, and Germany, to which countries this product is largely exported and eaten by their people as a cheap and wholesome substitute for butter. Germany, although she has quarantined against the American hog, finds no fault with oleomargarine butter. A few years since the butter interest of Great Britain made the attempt to restrict the sale in that kingdom of this food product which we exported to that country in large quantities. Dr. Fairplay, the recognized authority in England on sanitary questions and the healthfulness or unhealthfulness of articles of food, then a member of the House of Commons, gave it as his unqualified opinion that oleomargarine butter was wholesome and that its introduction into the kingdom was a blessing to that class of citizens who were unable to purchase butter that was fit to use at the prices asked for it in the market. The result was that the bill restricting the sale of oleomargarine was defeated by a decisive majority.

There is no longer any question that oleomargarine can be and is manufactured as a cheap and perfectly wholesome substitute for butter. Suet, natural lard, coloring matter the same as that used in choice dairy butter, sometimes a small quantity of salad oil, such as you use every day on your table, and salt, these form oleomargarine when properly made, and in fact, as made by the large establishments. They are healthy, and so is the product compounded of them. Oleomargarine may be foul, butter may be rancid and dirty. The fact that one manufacturer perpetrates a fraud by making a foul substitute for pure oleomargarine, and sells in the market for butter, can not justify a tax in its nature prohibitory as to all. Oleomargarine does not depend upon butter for its value, it is of itself healthful and of use. It has been aptly stated that "oleomargarine is no more artificial or manufactured than is butter. A cow secretes milk, from this cream is extracted, then follows churning, salting, washing, coloring, pressing, the result is butter. An ox secretes fat, from this margarine is abstracted, churned, salted, washed, colored, and pressed, the result is oleomargarine; from equally healthful animals equally healthful products result." Even the gentleman from New York [Mr. BEACH] is driven to this statement:

Is artificial butter deleterious to public health? If we are to believe the testimony of the expert chemists who have investigated the subject, it is not. * * * In the absence of any well authenticated case of injury to public health a loss of life from the use of artificial butter, although millions of pounds have been consumed, it would be unsafe to legislate on the subject upon the ground that we are going to protect the public health. I think the sooner we abandon that position the better. It is not tenable. The weight of fact and opinions is against it.

Thus this learned Representative from a strong dairy district flies in the face of his colleague [Mr. HISCOCK] on this side of the Chamber, who declared that this vile compound was poison, pure and simple, freighted with disease and death.

When such learned doctors disagree, who shall decide? The gentleman [Mr. BEACH], the duly appointed Moses to lead his followers out of the wilderness of doubt, exclaims:

If we are going to legislate upon the subject, let us take a position upon which we can stand and from which we can not be driven.

This is the advice of the sage, the chosen leader. They have been compelled to retreat from position after position; his suggestion is, "Let us choose one that is impregnable. Such a position," he gravely adds, "will be found in the proposition that the people are deceived and defrauded in the sale of the spurious article." How deceived? Is it that when they purchase what they believe to be dairy butter they receive oleomargarine? That is a fraud? The purchaser has a right to know what he is purchasing. If he does not want oleomargarine he should not be deceived into purchasing it under the belief that he is purchasing dairy butter, although it may look, taste, and smell like dairy butter, and, in fact, may be as good. The purchaser is entitled to his likes and dislikes.

Some men there are love not a gaping pig;
Some are mad if they behold a cat;
As there is no firm reason to be rendered
Why he can not abide a gaping pig;
Why he, a harmless necessary cat.

So the purchaser has a right to complain when he does not receive the identical thing he bargains for. He may not be able to render a "firm reason." He is not compelled to; he may say, "It is my humor; so I can give no reason, nor will I."

The tastes, the prejudices, and even the superstitions of the purchaser and consumer are to be respected.

We know that all metals, leather, woolens, woods, all textures, surfaces, and fabrics are or have been imitated. The false is sold for the true; the imitation for the imitated. The universability of the practice does not diminish but increases the fraud. It is no answer to say that the imitated can not be told from the genuine, the false from the true, or that it answers the same purpose. Honesty and fair dealing demand that every article shall be sold for what it is. Food adulterations is one of the crying evils of the age. To remedy these evils and secure honesty and fair dealing between citizen and citizen is a consummation devoutly to be wished for. There is no remedy for these frauds whether in the sale of foul oleomargarine, rancid butter, or any other article save through and by the police powers of the States.

The police powers of a State in a comprehensive sense—

Says Mr. Cooley—

embraces its whole system of internal regulation by which the State seeks not only to preserve the public order and to prevent offenses against the State, but also to establish for the intercourse of citizen with citizen those rules of good manners and good neighborhood which are calculated to prevent a conflict of rights and to insure to each the uninterrupted employment of his own, so far as is reasonably consistent with like employment of the rights of others. (Cooley's Con. Lim.)

The police powers of the State is an authority conferred by the American constitutional system upon the individual States through which they, and they alone, are enabled to adopt such laws as shall prevent the commission of fraud, violence, or other offenses against the State, and to secure the health and property of the citizen. It is a recognized principle that the National Government can not, through any of its departments, invade the reserved rights of the States. No one will question these propositions. To return to the position of the gentleman from New York [Mr. BEACH], which in substance is, that as oleomarga-

rine is sold for dairy butter, such a sale being a fraud upon the purchaser, therefore it is claimed Congress has the right to pass this bill to render the perpetration of such a fraud impossible. Strange doctrine! I had thought that such legislation could alone be had through the State Legislature. In this opinion I am fully supported by the Committee on the Judiciary of this House in an able report on bills similar to the one under consideration. They say:

The questions submitted by these bills to this committee are of great importance and involve the fundamental principles of the Constitution.

For our purpose the evil consequences to the regular producer of butter or any other article by the permission of a product by the spurious competitor, and even the results to health of the people, may be conceded. The contention is not as to the existence of the disease, but what is the remedy and by what authority is it to be applied.

Your committee does not think that the evil complained of can finds its remedy from what Congress can do, except as hereafter stated. The legislation, if proper, must be sought from the States.

No grant of power to Congress in express terms or by fair inference from express grant can be found which would authorize any law by Congress to prevent the production of anything by a person in a State of the Union. Congress may have some power over production in the District of Columbia, or where its power of exclusive legislation extends, or in the Territories. But the power to forbid the production of butter, or wheat, or tobacco in a State will scarcely be asserted by any one.

Questions which concern the production of the soil or otherwise, the health and well-being of the people of the State, belong to that large class which, for want of a better name, has been termed the police power.

The powers of Congress refer to the foreign relations of the State, to their relations *inter se*, and do not pass within the confines of that interior life which constitutes the being and the civilization of a commonwealth. These are subjects for State legislation. A stranger to these local interests and internal concerns, under our system, must not intermeddle with them.

The evil to result from the exercise of the power as to oleomargarine is not seen by one who looks only to the extermination of the unwholesome product, but dairymen would readily perceive it if the power were directed against the production of butter. The question then of power is the primary one.

The concession will be made by most constitutional lawyers that Congress can not directly forbid the production of this or any other article in a State.

Again they say:

The judicial decisions have never impinged upon the power of each State to control the right of its citizens as to food, clothing, &c., under what is called its police powers, and the right of Congress to enact anything like sumptuary laws for the States is nowhere granted, was expressly refused by the convention (3 Mad. Papers, 1369, 1370), and has never been seriously claimed in this first century of our constitutional history.

Can it be believed—

Said Mr. Jefferson—

that under the jealousness prevailing against the General Government, at the adoption of the Constitution, the States meant to surrender the authority of preserving order, enforcing moral duties, and restraining vice within their own territory? * * * Such an intention was impossible, and such a licentiousness of construction and inference, if exercised—

He claims—

would endanger the foundations of the Union. (Jefferson's Works, volume 7, page 297.)

It has remained for a Democratic committee headed by a Jeffersonian Democrat [Mr. HATCH] in a latter-day Democratic House to question the powers of the State in matters of police regulations. Sir, conceding the power of Congress to enact legislation such as is contemplated in this bill, which I deny, I have prepared an amendment that will tear the mask from oleomargarine, if it is true as asserted, that it has been masquerading under the name and guise of dairy butter.

I read the amendment for the information of the committee, and give notice that at the proper time I shall offer it. It provides—

That nothing in this act shall be construed to apply to the manufacture, sale, or offer for sale of any substance known as oleomargarine which shall be shown before the same is sold or offered for sale, to the satisfaction of the Commissioner of Internal Revenue, under such rules and regulations as he may adopt, to be wholesome as an article of food, and what it purports to be, as shown by the marks and brands thereon.

And further, that the constituent elements thereof, separately and combined, are in no way deleterious to health: *And provided further*, That said substance, known as oleomargarine, shall be put in packages marked and branded as provided in this act. Any manufacturer, wholesale or retail dealer, or other person who shall knowingly manufacture, sell, or offer for sale any such substance as oleomargarine for butter, or as butter, or without the same being put in packages plainly marked and branded as in this act provided, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be punished by a fine of not less than $100 nor more than $5,000, or by imprisonment not exceeding five years, or by both such fine and imprisonment.

Will any gentleman seriously claim that this new food product when shown to be wholesome, marked and branded so that it enters into an honest competition with other food products in the open market, shall be unjustly discriminated against because it cheapens the price of dairy butter? Is it competition and not fraud that you seek to suppress? If so, is not your bill a fraud, a false pretense? Is it not masquerading as a revenue bill when its purpose is not revenue, but a usurpation of the police powers of the States to the end that one industry may be stricken down in order to advance the price of dairy butter in the market? Assuming the fact, which can not be successfully controverted, that oleomargarine when properly made is a cheap, wholesome article of food, then I submit that this amendment should be adopted.

This bill does not pretend to tax oleomargarine because of any fraud in its manufacture or sale, upon the ground that it is unwholesome. It is taxed solely because when made it may be in imitation or have the semblance of butter. The nearer its approach to butter the more obnoxious it is to the taxing powers of the Government. In what that imitation or semblance shall consist the bill does not attempt to define.

SEC. 2. That for the purposes of this act certain manufactured substances, certain extracts, and certain mixtures and compounds, including such mixtures and compounds with butter, shall be known and designated as "oleomargarine," namely: All substances heretofore known as oleomargarine, oleo, oleomargarine-oil, butterine, lardine, suine, and neutral; all mixtures and compounds of oleomargarine, oleomargarine-oil, butterine, lardine, suine, and neutral; all lard extracts and tallow extracts, and all mixtures and compounds of tallow, beef-fat, suet, lard-oil, vegetable-oil, annotto, and other coloring matter, intestinal fat and offal fat made in imitation or semblance of butter, or when so made calculated or intended to be sold as butter or for butter.

We have shown that oleomargarine, as known to the trade, when properly made, looks, tastes, and smells like butter, having essentially all the elements of butter. The better the oleomargarine the nearer the resemblance. When a food product, made from any of the ingredients named, has the resemblance or semblance of butter, then it must pay a tax of 10 cents a pound under whatever name or for whatever purpose the same may be sold or used.

Its sin is in its semblance of butter. The fact that it is a desirable article of food, that it may never have been "calculated or intended to be sold as butter or for butter," does not relieve it from the payment of the tax. The product may be marked oleomargarine or axle-grease, if you please, and may have been calculated and intended to be sold as such, yet it must pay the tax if its ingredients unfortunately by the laws of nature give it even the semblance of dairy butter. "Semblance" in what? In form, figure, taste, smell, or in any or all of its component parts. This measure should be entitled a bill to prevent either the manufacture or sale in the United States of any cheap, wholesome food product as a substitute for butter made from milk, if the substitute bears in any respect a semblance to butter.

Again, if when made oleomargarine is "calculated or intended" to be either sold as butter or for butter, then it is liable to this tax which is not for revenue. If it has the semblance of butter, and may be used either on the table or in the kitchen for any of the purposes for which butter is used, then it must pay the tax of 10 cents a pound, for it is calculated to be "sold as butter or for butter." It may by its marks and brands be always distinct from butter, yet it may have the semblance of butter and by nature be fitted for many of the uses of butter. The tax is levied upon the product if, when manufactured from any of the ingredients named, it has the semblance of or may be calculated to take the place of butter in any of its uses. Fraud is not a feature essential to the tax. The evil aimed at is not that the product is in any way injurious to public health or morals. Competition is the evil aimed at, the increase of the price of butter the remedy to be advanced. The dairy must be indiscriminately—the good with the bad—the wholesome with the unwholesome. These are some of the iniquitous features of the attempted legislation.

Where, sir, is the constitutional warrant for this measure? I am told that it is a revenue bill within section 8, Article I of the Constitution:

The Congress shall have power to lay and collect taxes, * * * to pay the debts and provide for the common defense and general welfare.

Taxation by the very meaning of the term implies the raising of money for the public uses, and excludes the raising of it for private objects and purposes. It is true that of all powers conferred upon the Government that of taxation is the most important and at the same time most liable to abuse. "This power," says Justice Miller, "can as readily be employed against one class of individuals and in favor of another, so as to ruin one and give unlimited wealth and prosperity to the other, if there are no implied limitations of the uses for which the power may be exercised." That learned jurist then adds:

To lay with one hand the power of the Government on the majority of the citizens, and with the other to bestow it upon favored individuals to aid private enterprise and build up private fortunes, is none the less robbery because it is done under the forms of the law and is called taxation.

Let me, sir, commend the language of the learned justice of the Supreme Court of the United States to this House. Mr. Cooley, in his work "Principles of Constitutional Law," thus defines the limits of taxation under the Constitution of the United States:

Constitutionally a tax can have no other basis than the raising of revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful.

The spoliation of the few for the benefit of favored individuals is unwarranted, although done in the name and under the forms of law. This is not legislation; it is spoliation under legislative forms. Here, sir, I again cite from the exhaustive report of the Committee on the Judiciary made to this House on the 22d of last April:

It remains to inquire whether oleomargarine or any other product may be subjected to an internal-revenue tax. If the power to lay taxes (Constitution United States, Article I, sections 8 and 9) involves the power in Congress to select any article for excise or other tax, as seems to be now settled by the practice of the Government (and no doubt properly so settled), then the right to tax oleomargarine is undoubted.

But your committee are constrained to add that this is a revenue power. The right "to lay" is conjoined with that "to collect taxes," and the right to lay and collect is conjoined with the purpose "to pay the debts and provide for the common defense and general welfare." The power is conferred in order to the duty imposed on Congress. It is a trust power and becomes a right only when used for the purpose in view. The tax is the means to the end, and is only legitimate and rightful when needful for the end.

To use the tax when needless for revenue merely to strike down a product or an industry is to abuse a constitutional trust; and while the power may be con-

ferred, the right to use it in such case can not be asserted. All power under our system is trust power; to use it for the trust makes it a rightful power; to use it *diverso intuitu* is wrongful perversion and abuse of power, and is contrary to the Constitution. In other words, as Congress can not forbid the production of an article in a State by direct legislation, it can not use a power conferred for another purpose to destroy and prevent such production. To do by indirect means what it could not do by direct legislation would be an unworthy evasion of constitutional limitation, which can not be sanctioned by an enlightened construction of the Constitution. It is true that in such case the judicial power may not be able to declare such taxation void, because the judge dare not look into the intents of the legislator's breast, but the legislator who so abuses his trust and wrongfully misuses power can not avoid responsibility to his own conscience, bound as it is to support the Constitution; for by personal introspection he will find his motive not to be a tax for revenue to the Government, but a tax as a means of destruction to the product subjected to it; that is, tax used as an instrument of destruction and not as a means of revenue.

The propositions laid down in that report, in my opinion, are supported by the entire and uniform weight of judicial authority. That Congress by the arbitrary, I might say tyrannical, exercise of the taxing powers may crush or weigh down one domestic industry for the purpose of protecting another domestic industry, none will question; but that it may rightfully do so, none, I apprehend, will have the temerity to claim. "The power to tax," says Chief-Justice Marshall, "involves the power to destroy." Admitting the power, he condemns the unwarranted exercise of it. He adds: "To carry it (*i. e.* the power) to the excess of destruction would be an abuse, to presume which would banish that confidence which is essential to all government."

Does not this bill carry the taxing power to the "excess of destruction?" I know of no case from the foundation of our Government where Congress has placed a tax upon one domestic industry for the purpose of building up another. Certain it is that no instance has been cited by the friends of this new departure in protective legislation. The Agricultural Committee, in their report, cite as a case in point Veazie Bank *vs.* Fenno (8 Wallace). In that case Chief-Justice Chase, in delivering the opinion of the court, says:

It can not be doubted that under the Constitution that the power to provide a circulation of coin is given to Congress. * * * Having thus in the exercise of undisputed constitutional powers undertaken to provide a currency for the whole country, it can not be questioned that Congress may, constitutionally, secure the benefit of it to the people by appropriate legislation. To this end Congress has denied the quality of legal tender to foreign coins, and has provided by law against the imposition of counterfeit and base coins on the community. To the same end Congress may restrain, by suitable enactments, the circulation as money of any notes not issued under its authority. Without this power, indeed, its attempts to secure a sound and uniform currency for the country must be futile.

It is upon the dictum in that case that the committee relies.

There was and could be no such principle involved in that case as is invoked by the bill under consideration. The Congress, in the exercise of undisputed constitutional power, undertook to provide a sound currency for the whole people. Here there is an attempt to tax the manufactured product of one class of our citizens that the manufactured product of another class of our citizens may be advanced at least a like amount per pound. There is and can be no analogy between the cases.

Chief-Justice Waite, in commenting on the Veazie Bank case, says:

As against the United States a State municipality has no right to put its notes in circulation as money. It may execute its obligations, but can not, against the will of Congress, make them money. The tax is on the notes paid out—that is, made use of as a circulating medium. Such a use is against the policy of the United States.

Is it against the policy of the United States to permit any article to come in competition with butter if perchance it has the semblance of butter and the effect of that competition is to cheapen the price of butter?

It is claimed in argument that oleomargarine can be made for 7 cents a pound, and therefore the dairyman can not successfully compete with it. What is the remedy proposed to equalize this competition? It is by taxes and licenses to increase the actual cost of this food product to 19 cents a pound. It is the cheapness of this food product and not its unwholesomeness that is the cause of its offending. Advance its actual cost of production to 19 cents a pound, leave its quality as now or even reduce its grade, and the dairy interest will be satisfied. It is the price, and not the quality, that is to be advanced. If this product is a cheat, a fraud, a counterfeit injurious to the public health or morals, then the proper authority, the States, should prohibit its manufacture and sale—the General Government should not go into partnership with a cheat, a fraud, a counterfeit. If its manufacture or sale is a crime against society, Congress—if it assumes jurisdiction—should stamp it out by fines and penalties. Would you tax counterfeit money? Would you issue a license to parties to deal therein? The legislation proposed by this bill demonstrates that you do not regard it as either a fraud, a cheat, or a counterfeit, but that its cheapness and wholesome quality render it a dangerous rival to butter made from cream; therefore the necessity for this legislation.

Yet gentlemen tell us this is a revenue bill. Do we need more revenue? Is it desirable to collect more taxes to increase the surplus in our overflowing Treasury? The Committee on Ways and Means, whose duty it is to provide for raising revenue, have made no recommendation that the revenues should be increased. No branch of the executive department of the Government has asked it. The distinguished chairman of the Committee on Ways and Means [Mr. MORRISON] says:

I can not but think this bill is here under false pretenses and therefore I shall vote against it.

The eloquent, earnest, and persistent advocate of this legislation, Mr. BAYNE, frankly states:

I do not anticipate any troublesome amount of revenue from this measure. We do not want revenue.

He pleads guilty to the charge "that the bill is here under false pretenses." Why is the bill here in the livery of the taxing power of the Constitution if revenue is not wanted? The tax it levies, the licenses it imposes are extraordinary and unusual. They are purposely placed so high in the hope that the oleomargarine industry can never pay them, thus forcing its product out of this country and into a foreign market, for when exported it pays no tax.

Sir, if gentlemen are sincere in their oft-repeated declarations that they only want this food product marked and branded and sold for what it is, why not place the tax and licenses at a figure to accomplish that purpose? No one will deny that 1 cent a pound with nominal licenses, such as are imposed on dealers in beer and tobacco, would be more than sufficient. Yet every effort to either lessen the oppressive tax or diminish the exorbitant licenses is stubbornly fought by the so-called friends of "honest butter." Their votes do not strengthen their declarations. They talk one way and vote the other. One cent a pound would yield a revenue of more than $2,000,000 annually; but a 1-cent tax would not sufficiently advance the price of butter in the market—it would not shut out oleomargarine properly made, marked and branded as a competitor. This result would not be the end sought by the promoters of this bill.

Yet these gentlemen set themselves up as the champions of the consumer. He is to be protected they tell us. How protected by being compelled to pay 10 cents a pound more for every pound of butter or oleomargarine he eats. He may be unable to see wherein he is protected—it is a disguised blessing. If oleomargarine can be manufactured and sold under the burdens laid upon it by this bill, it is at last the consumer that must pay the tax. It is estimated that the license and tax will increase the cost of this food product 12 cents a pound before it reaches the table of the consumer; this he must pay. If oleomargarine is driven out of the market, which is the purpose of this bill, then the inevitable result is that the consumer must pay more for every ounce of butter that goes upon his table. Neither the dairy nor the oleomargarine factory are run as matters of philanthropy but for gain. If, notwithstanding the heavy taxes and licenses imposed upon it, the product of the oleomargarine factory, by reason of its wholesomeness and desirability as an article of food, can successfully compete with the product of the dairy, then the gains of the former will not be diminished, while the profits of the latter will be greatly enhanced at the expense of the consumer. This bill is not to furnish a better food product, but a dearer one.

It was Colbert, I think, the celebrated finance minister of Louis XIV, who is reported to have said: "That the act of taxation consists in so plucking the goose (*i. e.*, the people) as to procure the largest quantity of feathers with the least possible amount of squealing." This so-called revenue bill is designed to so pluck the goose that the least possible amount of feathers (*i. e.*, revenue) shall be obtained with the largest possible amount of protection to the dairy interest. "The purpose of this bill," says its logical and frank advocate [Mr. BAYNE], "is to protect the dairyman and the consumers, and I, as a protectionist of all the industries of the country, gladly welcome our new friends." Then casting an admiring glance upon my colleague [Mr. HATCH] and his Democratic followers in ecstasy he exclaims: "I am glad to observe the accessions to the ranks of the protectionists which the promotion of this measure is evolving." By the process of evolution the free trader is the convert of this false, mistaken, and dangerous idea of protection.

The principle of this bill is no more like protection than the prince of darkness is like the angel of light. In the past all legislation looking to the protection of American industries and American labor from foreign competition with the half-clad and half-fed pauper labor of the Old World has received the merciless maledictions of my distinguished and eloquent colleague [Mr. HATCH] from every stump in the State of Missouri, while on the other hand, in my feeble way, I have fought for the dignity of American labor and for the protection of American industries against the world, only to find myself snowed under by those who followed the free-trade plume of my friend [Mr. HATCH]. I have no doubt but when the fervor following sudden conversion shall have lost some of its zeal he will see the error of his ways and settle down as a consistent protectionist. Let me say to my colleague that in his effort to strike down or cripple one industry of our common country that another may prosper the more abundantly, he can not expect the support of those who understand the underlying principles of protection.

Sir, the manufacture of oleomargarine is one of the great industries of this country. When the product is wholesome, marked and branded, it is entitled to the same protection as any other industry. It is estimated that 200,000,000 pounds of oleomargarine butter are manufactured annually in this country. This is made largely from pure oleo extracted by an ingenious method discovered by a celebrated French chemist. Its manufacture enables our great packing-houses, that slaughter largely the beef for the world, to pay from two to three dollars a head more for each bullock purchased than they could if the suet taken from the an-

imal could only be worked up into tallow, as done before this discovery. Can any good reason be given why this part of the animal should not be thus utilized, or that when so utilized it should be discriminated against by being compelled to pay an unjust tax? That people use it as a substitute for any other article of food certainly is no reason for such action.

The agricultural interests of the country are as much interested in the price they get from their cattle and hogs as they can be in the price of butter. But, sir, the taxing of an industry because those engaged in it are in the minority and for the benefit of another industry that is in the majority can not be justified in any country where the rights of the citizen are respected. If the taxing power is to be invoked for the benefit of those who represent the most of power or political influence then shall we have returned to the condition of the Middle Ages when nobles were exempt from taxation because they were nobles and the common people were taxed because they were villains or bondsmen; "when Jews were assessed because they were not Christians, and Catholics because they were not Protestants."

This is class legislation. Each industry that is strong in political influence will demand protection against its less influential competitor. If when the weaker competitor in the market offers a cheaper substance in the "semblance of" or capable of being used or applied to the same purposes as those of his stronger rival, then his substance is to be taxed for the benefit of the stronger. Such a prostitution of the taxing power of the General Government, a power given for its maintenance and preservation, would, in the language of Jefferson, tend "to break up the foundation of the Union."

There is no proposition more firmly settled than that it is one of the fundamental rights and privileges of every American citizen to adopt and follow such lawful industrial pursuits as he may see fit.

There is and can be no question as to the lawfulness of the pursuit of manufacturing and selling oleomargarine having the semblance of, and calculated and intended to be sold for, butter. This is acknowledged in this bill by proposing to tax and license the manufacture and sale. It will not be claimed, none have the temerity to do so, that the business you propose to license is unlawful or immoral, or that the product you propose to tax is unwholesome or injurious to the public health. The tax is levied, the license imposed because a large and very respectable portion of our citizens demand such action to protect an industry in which they are engaged. The language of the supreme court of New York in a recent case in passing upon the constitutionality of a law of that State prohibiting the sale of oleomargarine is worthy of our consideration and approval:

> Who will have the temerity to say that these constitutional principles are not violated by an enactment which absolutely prohibits an important branch of industry for the sole reason that it competes with another and may reduce the price of an article of food for the human race?
>
> Measures of this kind are dangerous even to their promoters. If the argument of the respondent in support of the absolute power of the Legislature to prohibit one branch of industry for the purpose of protecting another with which it competes can be sustained, why could not the oleomargarine manufacturers, should they obtain sufficient power to influence or control the legislative councils, prohibit the manufacture or sale of dairy products? Would arguments then be found wanting to demonstrate the validity under the Constitution of such an act? The principle is the same in both cases. The numbers engaged upon each side of the controversy can not influence the question here. Equal rights to all are what are intended to be secured by the establishment of constitutional limits to legislative power and impartial tribunals to enforce them.
>
> Illustrations might be indefinitely multiplied of the evils which would result from legislation which should exclude one class of citizens from industries, lawful in other respects, in order to protect another class against competition. (People vs. Marx, 99 N. Y., 387.)

If the principle contained in this bill is recognized by Congress, its result will be the arraying of one industry against another, placing the weaker at the mercy of the stronger. It will not be a "survival of the fittest" of the competing industries, but a survival of that which is supposed to control the greater influence at the ballot-box. A short time since the National Butchers' Association held a meeting in my State. They have a supposed grievance against the shipment of dressed beef from the great West to the East. This new industry has sprung up in the last few years. It has rapidly increased. The following table will show its growth from 1880 to 1884 inclusive:

	1880.	1881.	1882.	1883.	1884.
	Tons.	*Tons.*	*Tons.*	*Tons.*	*Tons.*
To New York	.....	.....	2,633	16,365	31,955
To Philadelphia	.....	.....	448	8,601	12,815
To Baltimore	.....	.....	879	4,158	4,282
To New England, including Boston	15,680	75,259	89,150	116,747	121,615
Total	15,680	75,259	93,110	145,871	173,067

It is estimated that over 200,000 tons were shipped in 1885. This innovation has diminished the price of the stall-fed ox of the East, but it has increased the price of the Western steer, giving to the people of the Atlantic seaboard cheaper beef. Kansas City and Chicago supply New York and other Eastern cities with their dressed beef. This enterprise gradually but surely shut up a majority of the small slaughter-houses of the country, necessarily throwing many butchers out of employment. The cry against this Yankee innovation but a few years since was nearly as great as that now raised against oleomargarine. Charges were then made against this industry by those who knew nothing of what they were talking about equal, if possible, in extravagance to many of the charges made against the oleomargarine manufacture during this debate. It was asserted that the people of the seaboard were being poisoned by the diseased meats shipped from the West; that cattle afflicted with "Texas fever," the "black-leg," the "big jaw," and every other disease that the bovine kingdom is heir to, were being slaughtered and their poisoned carcases shipped in refrigerating cars as dressed beef to the East. Prejudice at length gave way to reason. The people of the Atlantic seaboard have learned that the West gives them better beef than they ever had before and for less money.

Nevertheless the butchers complain their business has been disturbed. They are unable to compete with the big packing houses. They should come to Congress and demand that a tax of 10 cents a pound be levied on all dressed beef shipped from the West to the East. This in the name of protection. The shipment of dressed beef gave an additional impetus to the business in the packing houses of Chicago and Kansas City, the great live-stock centers of the United States. The 60 pounds of suet taken from each animal had either to be tried into tallow or manufactured into oleo, from which a pure, wholesome substitute for butter is made. The value of the steer was enhanced to the farmer $2 or more if the suet was manufactured into oleo, making an advance in the cattle received at Kansas City in the last seven years of $8,448,466. This amount was paid to the farmer in excess of what he would have received had not the suet of the animal been utilized.

It is urged that our foreign market for natural butter is ruined by the export of oleomargarine. In the last three years we exported $13,838,913 worth of oleomargarine, while in the same period we only exported $9,685,072 worth of butter.

It was manufactured, sold, and exported as oleomargarine. The people of England and other countries look upon it as a blessing, furnishing as it does a cheap, wholesome substitute for natural butter. Gentlemen claim that the butter market is paralyzed by the exportations of oleomargarine. Yet one of the purposes of this bill is to increase the exportations of that product. It is expressly provided that it shall pay no tax when removed from the manufactory for the purpose of export. They would have this for a product furnished the consumer in England at 12 cents less a pound than to the consumer of our own country. To insure this result the foreign manufacturer, if he ships his oleomargarine to our shores, is taxed 15 cents a pound. Oleomargarine made in the United States intended for use here is taxed 10 cents a pound to protect dairy butter, foreign oleomargarine is taxed 15 cents a pound to protect the home production; this is double-barreled, back-action protection.

Mr. Chairman, there are some other features of this strange bill that I desire to notice briefly, and I am done. If it should become a law an army of additional office-holders will of necessity be created. It clothes the Commissioner of Internal Revenue with unusual and autocratic powers. His decree as to what substances, extracts, or compounds are to be taxed is made final. His construction of the law is conclusive. From his decisions, however arbitrary or tyrannical, there is and can be no appeal. He is given more than kingly powers, and the principle "that the king can do no wrong" is freely recognized.

The due process of law by which a citizen may be deprived of his property under this bill is the will of the Commissioner. I do not share in the blind confidence as to the infallibility of that officer. His powers are not restricted to the product that is made taxable. He may by his agents invade the dwelling, the store, the shop, the dairy, the manufactory in any State in the Union, and if any oleomargarine intended for human consumption be found therein which in his opinion contains ingredients deleterious to the public health, he is invested with plenary power to forfeit such product to the United States. Subject to the limitation that the citizen is granted the right to come to Washington and get the decision of a board composed of the Surgeon-General of the Army, the Surgeon-General of the Navy, and the Commissioner of Agriculture, the decision of that board is a finality on that class of cases.

In that case it is not essential in order for the Commissioner to exercise the police powers of the States that the oleomargarine is intended or calculated to be sold as butter; if in the opinion of the Commissioner it is intended for human consumption in any manner, the evil eye of the Commissioner may forfeit it to the United States. He is constituted the special guardian of the morals and health of the States. If this can be done as to oleomargarine, why then can not Congress invest the Commissioner with like powers as to all articles of food or clothing, found in any State, which in his opinion are deleterious to the public health?

The States are no longer to be trusted with their police powers; they are to be turned over to an officer or board designated by the General Government. What warrant is there in the Constitution for this monstrous doctrine? In conclusion let me call the attention of the House to section 19 of this bill, which may be called the informer's section. Sir, I had hoped that the day of the informer was past and that his nefarious occupation was gone; that he was never again to be privi-

leged to disgrace our courts with his perjury that he might share in the fines and forfeitures assessed against his victim. I had hoped that the informer, a name and occupation detested by all honest men, would never again be rewarded under the forms of law for his crimes. To secure his reward the professional informer is ever ready, if deemed necessary to obtain a conviction, "to swear without mercy and without end." This creature who pollutes the fountains of justice with his perjury is of foreign origin and flourishes best where the rights of the citizens are disregarded most. I am surprised that a committee of this House should report a bill resuscitating the professional informer with "ravening maw."

I would not place the property or liberties of the citizen at his mercy. Yet this bill gives one-half of the fines and forfeitures to the informer. That part of the nineteenth section I apprehend will be stricken out, whether the distinguished chairman of the Agricultural Committee "gives the sign" or not.

Mr. Chairman, I am not unconscious of the powerful influences back of this bill; yet, entertaining the opinions that I do of such legislation, I should be recreant to my duty and unworthy of the constituency I represent upon this floor did I not vote against this measure.

Protecting Public Lands.

SPEECHES
OF
HON. JOSEPH M. CAREY,
OF WYOMING,

IN THE HOUSE OF REPRESENTATIVES,

June 28 and 29, 1886.

The House being in the Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 9478) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1887, and for other purposes, the pending paragraph being, "for the protection of public lands from illegal and fraudulent entry or appropriation, $90,000"—

Mr. RYAN. I yield to the gentleman from Wyoming [Mr. CAREY].

Mr. CAREY said:

Mr. CHAIRMAN: It is with reluctance that I occupy the time of the committee in relation to the subject under discussion. My excuse is that the questions involved are of the greatest importance to the people of my Territory.

In this bill it is proposed to appropriate $75,000 to prevent depredations on the public timber, $90,000 for the protection of public lands from fraudulent entries, and but $50,000 for public surveys; in other words, $50,000 only is to be appropriated for surveying the public lands in all of the land districts of the United States, when it will require alone for the support of the surveyors-generals' offices, including salaries, &c., during the next fiscal year, $130,000. Such a policy is poor economy.

The estimates made for public surveys for the next fiscal year require an appropriation of $300,000. This amount should be appropriated. The lands in the Western States and Territories should be surveyed as rapidly as possible. The deputy surveyors should be paid a sufficient amount per lineal mile to enable them to properly mark and establish each corner with large and permanent stone monuments. These items of appropriation in this bill are in the line of the legislation which is now contemplated by Congress with reference to the public lands; that is, to wipe out the opportunities for the rapid settlement of the West, especially the settlement of the arid regions in the central part of the continent.

DISPOSITION OF THE PUBLIC LANDS.

It is true as asserted that a very large portion of the public domain has passed away from the control of the General Government. The millions of acres with which the United States has parted title are owned, occupied, and being cultivated and developed by the citizens of the Republic. No wiser disposition of these lands could have been made. But it may be instructive to inquire into the system under which the Government has transferred this large acreage. By an examination of the statistics it will be found that the Government, since its organization, has disposed of about 600,000,000 acres of land. Nearly 70 per cent. of this amount has been disposed of or granted away to corporations, States, and individuals, not to settlers.

The principal items are—

Grants to railroad companies, 169,000,000 acres; under swamp acts to the States, 74,000,000 acres; under the graduation act, 27,000,000 acres, of which the people of the State of the gentleman from Indiana [Mr. COBB] received some of the benefits; under the praiseworthy acts giving bounty land to the soldiers and sailors who have fought in the wars of the nation, 61,000,000 acres; under the several acts for the promotion of education, 74,000,000 acres; under various acts to encourage internal improvements, 30,000,000 acres. By a further examination it will be discovered that under the homestead, pre-emption, timber-culture, and desert-land laws less than 30 per cent. of the lands disposed of by the Government have been entered. These figures do not justify the statement so often made on this floor and in the public press that the lands of the Government have been absorbed or are being rapidly absorbed under the land laws of the United States which require the acts of an individual to make the entry.

DESERT-LAND LAW.

A great deal is said of the abuses which have arisen under the desert-land law. This law has been in force for nine years, and less than 3,000,000 acres of land have been entered under its provisions, of which less than half a million of acres have been patented. Assuming that half a million of acres should be patented each year under this law, it would require nearly sixty years to dispose of as much land as the Government sold under the graduation act at 12½ cents to $1 per acre. It would require more than one hundred and fifty years to dispose of the same amount of land under the desert-land law as has been given to the States under the swamp-land acts, and would require over three hundred years to sell as much under the desert-land law as has been given to aid in the building of railroads. Of the 700,000,000 acres of the public domain, exclusive of Alaska, remaining under the control of the United States, probably 450,000,000 acres are arid, none of which would produce a crop without irrigation.

The acreage can only be approximated. The vast area is west of the one hundredth meridian. It has been said that it would make a solid body 1,000 miles wide by 1,500 miles long. It comprises the Territories of Montana, Idaho, Utah, Wyoming, Arizona, and New Mexico, and the States of Colorado and Nevada, and parts of the Territory of Washington and the States of Kansas, Nebraska, California and Oregon. Population is already spreading over this country. Emigration from the great States of the East in great numbers has already reached the Rocky Mountains. Great canals and water ways are being constructed for the reclamation of these lands. In my Territory, under the stimulus of the desert-land law, nearly $1,000,000 has been expended during the past three years in the construction of irrigation works.

These improvements are not only expensive to construct, but require a large outlay of money annually for repairs and management. It is estimated that it costs from five to twenty dollars an acre to cut the necessary canals and to construct other works required to successfully reclaim arid lands. It is not probable that the General Government will ever undertake to reclaim these lands or to directly assist in their reclamation. The voting of money for public improvements is as unpopular to-day as it was once popular. The lands must be reclaimed by private enterprise. I do not believe that Congress can be too liberal in its legislation for the disposition of these lands, if liberality in this regard will induce the citizen to undertake the construction of such works as will make it possible to grow corps in the arid regions.

Professor Powell in his report of the arid region says:

> The arid region is the great Rocky Mountain region of the United States, and it embraces something more than four-tenths of the whole country, excluding Alaska. In all this region the mean annual rainfall is insufficient for agriculture, but in certain seasons some localities, now here, now there, receive more than their average supply. Under such conditions crops will mature without irrigation. As such seasons are more or less infrequent, even in the more favored localities, and as the agriculturists can not determine in advance when such seasons may occur, the opportunities afforded by excessive rainfall can not be improved.
>
> The limit of successful agriculture without irrigation has been set at 20 inches (of annual rainfall) that the extent of the arid region should by no means be exaggerated; but at 20 inches agriculture will not be uniformly successful from season to season. Many droughts will occur; many seasons in a long series will be fruitless; and it may be doubted whether on the whole agriculture will prove remunerative.

It is estimated that 90 per cent. of the entire cost of reclaiming arid lands consists of the labor. The size and number of the water ways can only be imagined when it is stated that there must be distributed through such means during each growing season over each acre of land reclaimed and cultivated an average depth of from 10 to 16 inches of water.

PAST POLICY OF THE GOVERNMENT WITH REFERENCE TO THE PUBLIC LANDS THE WISEST ONE.

You should consolidate all of the legislation proposed by this Congress with reference to public lands and label it "An act to prevent the settlement of the Northwest, the central West, and Southwest." That country is growing, it would appear, too rapidly for the East. The policy adopted by the United States in the past that the public lands should be disposed of not for revenue but in such a manner as to encourage their settlement and development has proven to be the wisest of statesmanship. The results of legislation best determine whether such legislation was wise. If you should go back fifty years and inquire into what has been accomplished under the land system of the United States, what has been done for the people of the nation through land grants and under settlement laws, I believe every one of you would say that had you been in this Hall half a century ago as legislators and could have turned over the leaves of the future and have seen the results that would follow, you would have voted for the legislation that has been so productive of good, but which to-day is so strongly condemned.

No other class of legislation enacted by Congress has done more for the American nation. Under the liberality of this system, the great empire west of the Alleghany Mountains has been settled and made

possible. Under the same system the States and Territories west of the Mississippi River are on the high road of progress. Unless Congress has time to study the whole question carefully and make laws applicable to the new condition of things in the arid regions the present laws should be permitted to stand and the Executive should see that the land officers not only interpret the laws righteously but most liberally. With such favorable conditions, the eight great Territories would soon be prepared for admission as States into the Union.

GROWTH OF COUNTRY WEST OF MISSOURI RIVER.

Bear with me while I call attention to the settlement of a country with which we all have much knowledge. I speak of the country principally west of the Missouri River, north of the Indian Territory, south of British America, and east of the main range of the Rocky Mountains.

Take Kansas first, as the base of the column, a State conceived and born amid many tribulations. The days of her youth were so full of trouble that her history during this eventful period is an important chapter in the nation's life. The first four years of her Statehood brought upon her all the calamities of a civil war. She suffered as a border State. She had in 1864 barely 160,000 population, only $50,000,000 of wealth, and not a mile of railroad within her borders, and able only to spend a few thousand dollars for school purposes. To-day Kansas has nearly one and a half millions of population, five hundred and fifty millions of wealth, 5,000 miles of railroad. The State expended last year for educational purposes alone two and a half million of dollars. She has expended during her short life as a State nearly $30,000,000 for the education of her youth. The value of her farm products during that time has been sufficient in amount to pay two-thirds of the national debt. Her growth and her present greatness were made possible by a liberal land system.

Let us go a little farther north and look at Nebraska, the Territorial sister of Kansas. In twenty years her population has increased from 100,000 to 800,000 souls. Her wealth from $60,000,000 to $350,000,000. She has within her borders 3,000 miles of railroad. Her public institutions would do credit to a New England State. Her growth has been made under the public-land system of the United States.

Colorado, with less than 40,000 population in 1870, has grown to be a State of a quarter of a million of people. She has more than two hundred millions of wealth; 3,000 miles of railroad. The energy of her people and the development of her domain show she was fully prepared and entitled to become the first State admitted in the second century of American Independence.

But glance at that great domain which is yet without actual representation in either end of this Capitol, the people of which have not been permitted to be heard in their plea for Statehood on this floor at this session.

Need I say I refer to Dakota? With one-half million of people, with hundreds of millions of wealth, with enough miles of railroad within her borders to reach from Boston to San Francisco, with good public institutions and an excellent school system in operation in every portion of her borders, she stands forth in her glory as the strongest argument in favor of the past land legislation.

Last I come to my own Territory, the least because she is the youngest. I feel it an honor to live within her borders and to be one of her people. She was carved out of the sage brush country in the arid regions in the heart of the great American desert. She had only a few thousand resident population in 1869, the date of her organization; she has to-day nearly 75,000 population. She has eighty millions of wealth, and by the end of the present year will have 1,000 miles of completed railways. She supports one hundred and twenty schools, the most of which are open for nine months in the year, by direct taxation under a system compelling every child to attend school. Vast enterprises have been undertaken by her people. The young blood, buoyant spirits, energy, and genius of her population are rapidly overcoming the difficulties which at one time appeared insurmountable so far as her settlement was concerned.

The five political divisions named make a grand column to bear testimony to the statesmen who inaugurated the land system of the United States. No monument can be more prominent and more enduring than the history and growth of the country described under the direction of the pioneers, encouraged by the liberal land laws.

If you will bring together all of the statistics of Kansas, Nebraska, Colorado, Dakota, and Wyoming, you will find that there is to-day in these States and Territories more free population, more wealth, and greater possibilities than could be found in the thirteen original States after they had adopted the Constitution under which we live.

Against the the cry repeatedly made that foreign lords and princes have absorbed much of the public domain in the countries named, I need but say that the native-born population bears the ratio of at least 7 to 1 to those of foreign-born, and that the number of the latter class who do not hasten to become good and patriotic citizens of the Republic is too trifling to take into account.

The percentage of the property owned by those of royal blood is too insignificant to be used by a politician as a bugbear to frighten even a most ignorant constituency. The property is owned and controlled by those who desire to be known by no higher title than that of American citizens. [Applause.]

Wednesday, June 30, 1886.

Mr. CAREY. Mr. Chairman, I move to amend by striking out the last word of the paragraph.

Mr. Chairman, during this entire session I have listened to the abuses which have been heaped upon the men who are engaged in the cattle industry in the Western States and Territories, and thus far no man has on this floor defended this class of people. I am familiar with the men who are engaged in that business in an area of country at least 600 miles wide and 1,000 miles long. I am personally acquainted with very many of them. I have had the honor to be a member and the presiding officer of probably the largest active stock-growers' association in the world. This association represents at least one hundred millions of wealth invested in cattle, horses, and sheep in the arid regions of the United States. The members of this association come from twenty-five States and Territories.

The men who conduct this business are just as honorable and upright, have as much business honor, love their country just as well as the members of this House. They have as high a regard for the sanctity of an oath as either of you. They would no sooner attempt to induce others to commit perjury than would honest men elsewhere.

Having cast my first vote in the district now represented by the honorable chairman of the Committee on Appropriations [Mr. RANDALL] I soon thereafter went West, and have spent about all my manhood there. I have been and am acquainted with the men of that country. If I went to that country an honest man, I am just as honest now as I was then. Association with the people in the West does not make men dishonest; it makes them more ambitious, more energetic, and more patriotic. The men who go West are representatives largely of the industrial classes from all of the States of the American Union. We have men there from the plow, from the workshop, from the counting-room, from the colleges, and from the mines. They are the offspring of your own households, and whether they come from the plantations of Georgia, from the tobacco fields of Virginia, the mines of Pennsylvania, the factories of New England, or the farms of Illinois they are equally welcome.

The pioneers of my country are intelligent, energetic, honest American citizens. Nothing good has been said of them. Sensational reports are the basis of your judgment so far as this people is concerned. A few years ago some villain, or wag, probably the latter, put a notice on a fence-post, somewhere I think in Kansas, threatening to shoot off the top of the head of any man who might break down the inclosure. This notice has been the subject for many newspaper articles and the text for demagogic speeches without number. I have heard nothing on this floor that is good of the people of the great live-stock country in the West. I have ridden over thousands of miles of that Western country. I have stopped and read the kind of notice that I hold up in my hand. This notice, you will see, is on heavy card-board, of a bright color, at least 8 inches wide and 16 inches long, printed in letters so large that he who runs may read. [Applause.]

[Here the hammer fell.]

Mr. CANNON obtained the floor and said: Mr. Chairman, I yield to the gentleman from Wyoming.

Mr. CAREY. I thank the gentleman from Illinois on behalf of my people for his kindness.

Several MEMBERS. Read the notice.

Mr. CAREY. This notice is in the following words:

NOTICE.

All persons are hereby notified that this fence is not erected as a barrier to any party or parties who may wish to enter this inclosure for any legitimate purpose, settlement by pre-emption, or otherwise, the owners merely requesting that entries be made through one of the numerous openings.

I defy any man to produce any testimony except that of liars and perjurers to show where any man has been prevented from settling on any section of land in my Territory where he has had a right to settle, by any combination of cowboys or cattle-men.

Mr. Chairman, we speak of the "iron age," the "golden age," and various periods in the history of the world. This present age, I believe, will be spoken of as the age of demagogism.

A MEMBER. The "age of brass."

Mr. CAREY. There are men who belong to a party for a day. They sit upon a plank which they call a platform, always well oiled with some "ism," on which they can slide from one party to another. If it best suits their purpose they can be members of the Greenback party, of the anti-national-bank party, or of the labor party to-day, and to-morrow they can slide over into the ranks of a dominant political party and make earnest claim that they are in good standing in its ranks. It is this class of men who are trying to get up a new "ism;" and to-day their attacks are constant and repeated upon those who happen to be engaged in the stock industry in the Western States and Territories. Their motto is, "Down with cattle-kings, cattle syndicates, and cowboys."

Farming and cattle-growing are so closely allied that both are classed as agricultural pursuits. Both are very honorable and necessary industries, and each is worthy of the greatest encouragement. To raise cattle, horses, and sheep on the plains is just as respectable, no more so, as to plow and harrow the ground and grow corn in the Wabash Valley.

The country needs more beef. While the annual supply of grain and other farm products is so great that it scarcely pays to cultivate, the facilities for producing sheep and beef become less each year. The ratio of the production of corn, wheat, barley, and oats to the population becomes greater each harvest. The ratio of beef supply to the population is less than before the civil war and must become less each year. Everything we wear is cheap. The necessary articles that go upon our tables are as a rule very low in price with the exception of beef, which is so expensive whether on the table of the rich or the poor that it is indeed entitled to be classed as a luxury.

The statistics show that 30 per cent of all the beef sold in the great distributing markets of Kansas City, Saint Louis, and Chicago comes from the country west of the Missouri River. So important a part does that country play in the beef supply of the nation, that it is stated in the report of the Bureau of Animal Industry for 1885 that should this supply be cut off it would produce a beef famine in the United States. It is estimated that the steers brought from the plains and mountains to be fattened and prepared for the Eastern markets consumed not less than 5,000,000 bushels of surplus grain for which there was no market in the States of Missouri, Kansas, Nebraska, and Iowa, during the last year.

GRANGERS AND "COWBOYS."

I want to state to the members of this House that there is no clashing between the farmers and cattle-men in my country. The broad gates of her plains stand wide open, inviting every class of people to come and make therein homes for themselves and their families. We only hear of difficulties existing there when we read the speeches and the newspaper articles that are prepared in the East. I want to say further to you that the cowboy of the Eastern newspaper is largely a creature of the imagination. The men who work with and take care of the cattle on the plains known as "cowboys" are young men, the sons for the most part of farmers of the Eastern, Western, and Southern States. They are a brave and generous class of young men. No sailor or soldier was ever more faithful in performance of duty than the "cowboy" of my country. During the past fifteen years I have known hundreds and hundreds of them, and I do not believe that you can find among any class of men engaged in any employment in the East fewer dishonest men than among that class of men in my country that we call "cowboys." They are too fond of fair play to interfere with any class of settlers. They come from too intelligent a class to be made the dupes of their employers if their employers should attempt to use them for dishonest purposes. They live a free and generous life, and as they grow older drift into other pursuits. In my country it is not a disgrace to be called a "cowboy."

In the Territory of Wyoming, wherever there is a valley that can be cultivated, a good class of farmers are settling it and are receiving a most hearty welcome. The pioneers of Wyoming, whether you class them as cattle-men, cowboys, or grangers, will compare favorably with any class of men who ever went to either one of the States of the great West to better their condition in making homes for themselves and their families.

It comes with poor grace from the gentlemen in the States east of the Mississippi River to cast, by exaggerated statements, reflection upon the reputation of the men who have gone west of the Missouri River as settlers.

The people of Wyoming until 1878 were not safe with their lives or property in any section of that Territory. The cattle-men had to go well armed to protect their lives and their property from tribes of savages that were fed and clothed and supplied with the best improved arms by agents of the General Government. These cattle-men have made life and property as safe in that Territory as it is in any State in the Union. They have assisted in every worthy enterprise. Go among them and see what they have done and you will praise and not condemn them. You should not forget that the pioneers from the day of Braddock's defeat have had to fight and conquer every foot of soil west of the Alleghany Mountains.

I have no doubt land frauds have been committed in every year since this Government commenced to dispose of its lands, but the per centage of frauds after all have been so small that they are scarcely worthy of consideration. I say to the gentleman from Indiana [Mr. HOLMAN] that I believe there were more frauds committed under the swamp acts in the State of Indiana than all the frauds that have ever been committed under the pre-emption, desert-land law, and timber-culture laws west of the Missouri River. This is equally true of most of the States that received lands under the swamp act. A frog pond or a puddle of water was sufficient out of which to make four sections of swamp land. [Laughter.]

Mr. RANDALL. In those days land was entered at one dollar and a quarter an acre.

Mr. CAREY. Yes, sir. But if you take the figures you will find that nearly 75,000,000 of acres were given to the States under the swamp-land acts. Florida alone obtained 15,000,000 of acres, Illinois 3,000,000, Indiana 1,300,000, Louisiana 8,000,000, Michigan 7,000,000, Missouri 4,000,000, Wisconsin over 4,000,000, and so on through the list. Congress has been so generous with her lands in the past that you can at least afford to be just, so far as the settlers of the day are concerned. If your constituents will not permit you to be generous to these people, since they have gone from your own home, you will at least see that they have fair play, and that the laws which affect them are not interpreted for their persecution.

Mr. HOLMAN rose.

Mr. CAREY. I am only given five minutes and I can not yield.

The West is not understood; the population moves rapidly forward, and a great rush at a land office to enter lands is at once interpreted as an evidence that great frauds are being committed. The lands are without value until the settler makes them valuable. The more people come the more valuable each tract becomes. As soon as a country has arrived at a certain condition of settlement every man that has the right to enter land is anxious to avail himself of the privilege which is his under the law. I believe that in ninety-nine out of every hundred entries made the intention to comply with the law in every respect is an honest one.

The Rocky Mountain region is but little known by the people of the East. The lands open for settlement there are not like the lands the Government sold and gave away, which had only to be tickled to produce a crop. Each acre of arid land requires hard work to turn it into a productive field. I quote the following extract from the Salt Lake Tribune:

It is a sadly comical spectacle to see the American Congress undertake to handle the desert-land question. Members approach the question with a vague fear that the country will discover how little they know of the business, but in a day or two they are declaring with a mighty pathos against the policy which is so swiftly transferring the public domain in vast blocks to greedy land speculators. If the spectacle is sadly comical in Washington it would be a comically sad one to see one of those eloquent members compelled to make a living from 640 acres of desert land. What new ideas he would obtain if put to the test; how his respect for the public domain would break down; how he would change his views; how much his pocket would be depleted and his brain expanded by a year's trial of reclaiming desert land. With what pertinacity these men of the East assume that if Western people are not out and out thieves, they are at least playing for unjust advantages.

Notwithstanding the many difficulties, through the energy of our people the country in the Rocky Mountains is making rapid strides forward.

Two weeks ago I read a letter saying a new town site had been surveyed on the North Platte River, Wyoming, in advance of the building of the Wyoming Central Railroad; that I should see in the establishment of the post-office that the name given the new town was the one selected by the people. The next mail brought an application for authority to authorize the organization of a national bank in the new town with $100,000 of paid-up capital. In the same mail came an eight-page newspaper which had been printed in the town which had wisely been christened "Douglas."

Mr. Chairman, two public men have lived in this century who were pioneers in the truest sense of the word. Each left humble homes, one in the North, the other in the South, and went to what was then the far West to better their condition. Representing different schools of politics, they became great leaders of men and parties. Their eloquent tongues were ever heard and their votes were always given in favor of liberal land laws and generous treatment of the people of the West. Their names will be known and revered as long as this Government shall last—I speak of Clay and Douglas. [Applause.] So deeply has their history been impressed on the hearts of the pioneer classes that almost every Western State and Territory has honored towns and counties with their imperishable names.

The land legislation must become as important in the future as it has been in the past. While I stated in my remarks yesterday that this Government had disposed of 600,000,000 acres most wisely, I have no hesitation in saying it will require broad and liberal laws to dispose of the 700,000,000 acres, including Alaska nearly 1,100,000,000 acres, remaining. Under the present land laws patents should be issued to those who are entitled to them, and every advantage should be afforded to those who settle the lands or by irrigation works make their settlement possible. Governor Warren, of Wyoming, in his report to the honorable Secretary of the Interior, ably says on this subject:

While presenting the case of necessary aid for pioneer and *bona fide* settlers, I most respectfully recommend that the rules and regulations respecting the proving up upon public lands be generously and leniently applied, if the applicant be working in good faith. While fraud should not be tolerated, nor fraudulent land entries permitted, the deserving applicant should receive every assistance and prompt issuance of United States patent for his land.

The settler, presumably poor, grows poorer in ready money while making the necessary improvement upon his land, in order to obtain title, and he is often compelled to borrow money to get his start, buy live-stock, implements, seed, &c., and with his patent to his land and consequent good security to offer, he can borrow money at living rates, when if delay in title occurs he is compelled to pay ruinous rates of interest until his entire plant is sacrificed. If special land agents are to be employed to inspect each entry, and the land under it (and there should be no objection to that), the number of such agents should be greatly increased, to the end that inspection may immediately follow final proofs. And the force where these patents must issue from should also be so increased that patents could immediately follow final proofs and favorable report of special agents.

Many a settler is compelled to leave his claim immediately upon final proof in order to earn by day or monthly labor sufficient means with which to continue improvements until his land is productive, and to support his family, and the inspector who visits his claim during this period of semi-abandonment might very naturally, and honestly enough, do the absent settler an injustice.

The Navy.

SPEECH

OF

HON. GEORGE D. WISE,

OF VIRGINIA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, June 18, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 8975) making appropriations for the naval service for the fiscal year ending June 30, 1887, and for other purposes—

Mr. WISE said:

Mr. CHAIRMAN: I did not propose to occupy the attention of the House during the pendency of this bill, preferring to wait until that for the increase of the naval establishment shall have been reached. But as it is possible, if not probable, that that measure may not receive consideration during this session, I have come to the conclusion to submit what I have to say in reference to it at this time.

I will not follow the honorable gentleman from Iowa [Mr. HEPBURN] in the discussion of the issues of the war. I regret exceedingly that my friend from Alabama [Mr. WHEELER] furnished him the occasion. During the consideration of this bill making appropriations for the naval service for the fiscal year ending June 30, 1887, he has detained this House for nearly two hours with a revival of the memories of our civil conflict. No good can and much harm may result from attempts to rekindle the passions and prejudices of that unhappy period.

I have looked into the Congressional Directory and find there——

Mr. HERBERT. I hope the gentleman will not discuss that question.

Mr. WISE. No; I am not going to do it. I find in the Congressional Directory a brief sketch of his life, in which it is stated that he was in the military service of the United States during the civil war. I do not question its accuracy, as it is to be presumed that the facts were furnished by himself. I do not doubt that he was a soldier of credit and renown, and have no disposition to depreciate his services, but I do not believe that such sentiments as have been uttered by him will receive the approval of his fellow-citizens in Iowa.

This morning I received a communication from the Grand Army of the Republic, which I will insert in the RECORD, not having time to read it. It is an appeal to the representatives of the South on this floor to vote in favor of increasing the pensions of the wounded and disabled soldiers of the Union Army. In this we are assured that the brave defenders of the country stopped fighting when the war was concluded. To their honor, be it said, the people of my section have seldom heard from their lips bitter reproaches and revilings, and have often been cheered by their kindly acts. Generosity and magnanimity are characteristic of the truly brave.

HEADQUARTERS UNITED STATES MAIMED SOLDIERS' LEAGUE,
1202 *Chestnut Street, Philadelphia, Pa., June* 18, 1886.

DEAR SIR: The traditional generosity and kindliness of the Representatives of the South has had no firmer admirers on the roll of their countrymen than the old soldiers of the war who stopped fighting when the war was concluded. Among these old soldiers, the men who lost legs and arms in the line of duty, have always joined heartily in admiring those time-honored characteristics. These men are at present as a class suffering severely from the effects of their wounds and physical debility. Their wants and necessities now appeal to your feelings of humanity to concede a small advance in the rates of their pensions as provided for by Senate bill No. 2056. This bill passed the Senate unanimously; and in their behalf we feel it to be due to you as a Representative to personally ask your support of the measure granting an addition of $6 per month to this class of your countrymen.

President: John Stewart, U. S. Grant Post, No. 5, Grand Army of the Republic, Philadelphia.

Vice-presidents: B. F. Widdecombe, Post No. 45, Grand Army of the Republic, Phœnixville, Pa.; Isaac R. Martindell, Post No. 6, Grand Army of the Republic, Germantown, Pa.

Secretaries: A. G. Rapp, Post No. 2, Grand Army of the Republic, Philadelphia; James M. Magee, Post No. 12, Grand Army of the Republic, Roxborough, Pa.; William A. Ganster, Post No 45, Grand Army of the Republic, Phœnixville, Pa.

Representatives: Benjamin F. Robb, Post No. 6, Grand Army of the Republic, Germantown, Pa.; Francis A. Osbourn, Post No. 2, Grand Army of the Republic, Philadelphia.

Treasurer: J. H. R. Story, Post No. 2, Grand Army of the Republic, Philadelphia.

Hon. GEORGE D. WISE.

I will say now and here as my response to that appeal, pensions for the brave soldiers who received wounds or incurred disabilities in the service of their country; contempt for those who malign and spitefully use us.

The gentleman from Iowa has sought many occasions during this Congress to make flings at the men of the South. He knows that we are constrained to silence. In dismissing this subject I commend to his careful consideration the words of the old soldier "who stopped fighting when the war was concluded," and the imitation of their example. Brave and honorable men never strike a prostrate foe. I do not know what part he bore in the Union Army except as I find it written in the Congressional Directory.

Mr. JOHNSTON, of Indiana. I hope the gentleman will not feel constrained, as he has stated, but will talk just as he feels.

Mr. WISE. The gentleman may rest assured that I will utter my feelings and thoughts without reserve. When I used the expression "that we are constrained to silence" I meant that we are not going to fight over again the issues of the civil war. I repeat, I do not know what part the gentleman from Iowa bore in that conflict, but it is certain that there are upon his person no scars as evidence of the fact that he ever led a desperate charge, and, judging from his conduct here, I do not think that he ever will.

Mr. HENDERSON, of Iowa. Will the gentleman allow me a word?

Mr. WISE. Yes, sir.

Mr. HENDERSON, of Iowa. The gentleman may bear no scars, but I will say to him that no soldier from Iowa was ever more in the front where scars could have been received than my colleague.

Mr. WISE. I do not know anything about where the gentleman was.

Mr. HENDERSON, of Iowa. But I ask, in view of the fact I have stated, that no slurs be cast upon my colleague.

Mr. WISE. I take his history as written by himself, and surely the biographer can not be said to have been unfriendly——

Mr. WARNER, of Missouri. General Grant bore no scars.

Mr. DORSEY. Nor Phil. Sheridan.

Mr. PERKINS. And the same may be said of many other gallant officers as well.

Mr. WISE. There is no occasion to pursue the subject further. Yesterday my honorable friend from Connecticut [Mr. BUCK], while commenting upon the statement of the gentleman from Alabama [Mr. HERBERT] that the appropriations for the naval service for the next are considerably less than those for the current fiscal year, said that the difference is more apparent than real, and undertook "to show that, so far from there being a less amount appropriated in this than in the bill of last year, there is really more if we take into consideration the recommendations of the new-ship bill." In this connection he called attention to the fact that certain items are included in the bill for the increase of the naval establishment which might have been embraced in this.

I did not understand him to assert that it was improper to have placed them where they are, and I do not suppose that he meant to allege that the Committee on Naval Affairs, or its chairman, intended thereby to mislead the House or the country. He is too fair and liberal to indulge in imputations of that character. But his purpose seems to have been to prevent us, as he stated it himself, from making use of the transfer of items "as being in the line of economy." The chairman has told him that he has "never said we propose to appropriate less than was appropriated last year, taking the two bills together," this and that for the construction of new ships.

So far as I am concerned I will take this occasion to say that I am in favor of liberal appropriations for the Navy, and do not care whether this carries more or less than former bills.

When assisting in its preparation I was actuated by no other consideration than to give enough to make the Navy useful and efficient, and I will go as far as any member on this floor to add to and increase it. But I call attention to one fact not mentioned by him, that since 1868 more than seventy-five millions have been expended to build and maintain a navy, and we have nothing to show for it. I do not allude to the annual appropriations for the naval service, but, in addition to them, seventy-five millions have been expended on the construction, repair, equipment, and ordnance of vessels during the last twenty years, and we are without a ship to compare with some in the navies of other nations. In the language of the Secretary of the Navy, this vast sum "has been substantially thrown away."

Mr. GOFF. Since what year does the gentleman refer to?

Mr. WISE. Since 1868.

The statement is contained in the annual report of Secretary Whitney. I do not wish to arouse partisan feelings or prejudices, and therefore will not stop to fix the responsibility for this condition of things. I will content myself with the simple statement of facts, and leave the country to judge whether the necessity exists for other and better methods of administration.

The rehabilitation of the Navy and the revival of our merchant marine are subjects of paramount importance and should receive earnest and careful consideration. There is a close connection between them, and in dealing with the one it is not out of place to give some thought to the other.

By the encouragement of our ship-building and ship-owning interests and the development of a flourishing mercantile marine we would provide an efficient and powerful naval reserve from which to draw in times of peril and danger. We would thus secure not only a large commercial fleet, easily convertible upon occasion into ships of war, but what is of equal if not greater importance, a band of trained, disciplined, and experienced sailors.

In dealing with these subjects we should endeavor to rise above those considerations which usually influence our actions as members of political organizations, and recognize the duty to place the country in a con-

dition of defense and provide facilities and protection for our vast and increasing commerce.

The people of the United States, with singular unanimity, are in favor of inaugurating a policy of naval and commercial progress, and all efforts directed to the accomplishment of those objects will receive their hearty approval. In this connection I will say to my political friends, who constitute the majority of this House, that they will be held responsible for any failure to satisfy the just expectations of the people. In my humble opinion we can not do anything which would contribute more to secure for us the continuance of the confidence and support of our constituents than the pursuit of these objects with intelligent zeal.

We must have a navy for the defense of our seacoast, if not for aggression for the support of American policy in matters where foreign governments are concerned, and for the security and development of our commerce. We can not expect to have either a mercantile or a belligerent navy so long as we shall continue to depend upon foreign ships for the carriage of our exports and imports. The fact stares us in the face that the monopoly of our foreign carrying trade is enjoyed by ships which do not float the American flag; but from this it must not be inferred that our commerce is inconsiderable. On the contrary, it is immense, and steadily increasing, amounting annually to more than $1,500,000,000. But the share of it carried in American vessels has steadily decreased since 1840 until it has reached the point of constituting a very small per cent. of the aggregate.

During the second session of the Forty-seventh Congress a joint select committee was appointed "to inquire into the condition and wants of American ship-building and ship-owning interests, and to investigate the causes of the decline of the American foreign carrying trade, and to suggest any remedies which might be applied by legislation," &c. In the able report submitted by this committee the astounding statement is made that little more than 15 per cent. of our exports and imports were carried in American vessels during the year 1882. I have not the statement for the present year, but am satisfied that a less per cent. is carried now.

Mr. FELTON. It is less—only 14 per cent. and a fraction.

Mr. WISE. It is less, the gentleman says. Formerly the shipping interests of the country were second in importance only to agriculture.

To exhibit to the House and the country its past and present condition, and to convey some idea of the necessity for the immediate application of vigorous measures to arrest, if possible, the speedy progress of decay, I insert here the following figures, for each semi-decennial year since 1840, relating to American shipping, taken from the report referred to:

Years.	Tonnage in foreign trade.	Tonnage in coast-wise trade.	Value of exports and imports.	Per cent. carried in American vessels.	Per cent. carried in foreign vessels.
1840	762,838	1,176,694	$231,227,465	82.9	17.1
1845	904,476	1,223,218	231,901,170	81.7	18.3
1850	1,439,694	1,797,825	330,037,038	72.5	17.5
1855	2,348,358	2,543,255	536,625,366	75.6	14.4
1860	2,379,396	2,644,867	762,288,550	66.5	33.5
1865	1,518,350	3,381,522	604,412,996	27.7	62.3
1870	1,448,846	2,638,247	991,896,889	35.6	64.4
1875	1,515,598	3,219,698	1,219,434,544	25.8	74.2
1880	1,314,402	2,637,686	1,613,770,633	17.4	82.6
1881	1,297,035	2,646,011	1,675,024,318	16.0	84.0
1882	1,259,492	2,873,638	1,567,071,709	15.5	84.5

The year 1855 marked the "inception of the period of decay and retrogression." Prior thereto only a few iron steamships for ocean trade had been constructed, and our foreign commerce was carried principally in wooden sailing vessels. It was then that iron began to take the place of wood in the construction of ships for purposes of ocean transportation, and steam to be used for their propulsion instead of sails. Up to this time, having cheaper materials for ship-building than any other maritime nation, we were able to enter into competition for the foreign carrying trade upon terms more favorable than those which now confront us.

I have not the time, Mr. Chairman, to pause to search for the causes of this decline and decay. Nor would the inquiry be in harmony with my present purpose, which is to call attention to the necessity of providing means for national defense and to urge early and favorable consideration of the bill for the increase of our naval establishment.

In this connection it will be interesting to state briefly what has been done in recent years toward the construction of a navy. In June, 1881, Secretary Hunt detailed a number of experienced and accomplished officers to consider and report upon the need of appropriate vessels in the service. This advisory board confined its deliberations to the consideration of providing means for "the present exigencies of the Navy," and made no recommendations concerning the types of vessels to be built for the defense of the country in time of war, having determined that they were not within the scope and intention of the order by which it was created.

In the report, submitted November 7, 1881, this board expressed the opinion that seventy unarmored cruisers were required to perform efficiently the work of the Navy, "for surveying, deep-sea sounding, the protection and advancement of American commerce, exploration, and the protection of American life and property endangered by wars between foreign countries." In addition to these, they decided that a pressing necessity existed for the construction of a limited number of rams and torpedo vessels, to provide the means for the defense of the country in the event of a sudden emergency.

I insert here a summary of the number, class, type, and cost of the vessels recommended to be built immediately:

Two first-rate steel double-decked unarmored cruisers, having a displacement of about 5,873 tons, an average speed of 15 knots, and a battery of four 8-inch and twenty-one 6-inch guns; cost $3,560,000.

Six first-rate steel double-decked unarmored cruisers, having a displacement of about 4,500 tons, an average sea speed of 14 knots, and a battery of four 8-inch guns and fifteen 6-inch guns; cost $8,532,000.

Ten second-rate steel single-decked unarmored cruisers, having a displacement of about 3,043 tons, an average sea speed of 13 knots, and a battery of twelve 6-inch guns; cost $9,300,000.

Twenty fourth-rate wooden cruisers, having a displacement of about 793 tons, an average sea speed of 10 knots, and a battery of one 5-inch and two 60-pounders; cost $4,360,000.

In addition to these cruisers, it was recommended to build five steel rams of about 2,000 tons displacement and an average sea speed of 13 knots; cost $2,500,000.

Five torpedo gunboats of about 450 tons displacement and a maximum sea speed of not less than 18 knots, and one heavy powered rifled gun; cost $725,000.

Ten cruising torpedo boats, about 100 feet long, having a maximum speed of not less than 21 knots an hour; cost $380,000.

Ten harbor torpedo boats, about 70 feet long, having a maximum speed of not less than 17 knots per hour; cost $250,000.

The conclusions of this, the first advisory board, reached after careful and laborious investigation of the subjects submitted for its consideration, were communicated by the Secretary of the Navy to Congress at its next session. This intelligent effort on the part of the Department in the direction of inaugurating wise measures for the rehabilitation of the Navy has from time to time been supplemented by Congress, but not, in my humble judgment, to the extent demanded by its importance.

In the naval appropriation bill approved August 5, 1882, authority was given to build one each of the first two types enumerated, and the Secretary of the Navy was empowered and directed to organize a board of naval officers and experts, whose duty it should be to advise and assist him in all matters relating to their construction. This "naval advisory board" was organized November 13, 1882, and as the result of their advice and the recommendations of the Secretary of the Navy based thereon Congress provided in the naval appropriation bill approved March 3, 1883, for the construction of the steel cruiser of not less than 4,300 tons displacement (Chicago) already specially authorized by the act of August 5, 1882, and in addition provided for two steel cruisers of not more than 3,000 nor less than 2,500 tons displacement each (Boston and Atlanta), and one dispatch boat of 1,500 tons displacement (Dolphin). On the advice of said board the larger cruiser authorized by the act of August 5, 1882, was omitted.

From a recent letter addressed by the Secretary of the Navy in response to a resolution of the House calling for information concerning the progress made in the construction of these vessels it appears that their hulls and machinery are well advanced toward completion, but that their armament may be delayed "partly by the unavoidable difficulties attending the execution of the work and partly by the lack of sufficient appropriations."

By an act approved March 3, 1885, Congress authorized the construction of four additional vessels, two cruisers of not less than 3,000 nor more than 5,000 tons displacement, one heavily armed gunboat of about 1,500 tons displacement, and one light gunboat of about 800 tons displacement. As to these we have been informed in the communication from the Secretary referred to that the plans of none of them have been completed, but that satisfactory progress has been made, and the construction of all of them can be commenced within three or four months.

After this brief sketch of legislative and departmental action in the direction of providing new ships, let us turn to the official register to see what we have. It exhibits a beggarly account. In the list of serviceable vessels, propelled by screws and paddles, we find one first-rate, ten second-rates, nineteen third-rates, and five fourth-rates. In addition to these we have fourteen fourth-rate ironclads, all requiring more or less repairs to make them serviceable, and one under sentence of condemnation, and twelve wooden sailing vessels. The five new double-turreted monitors, although launched, are awaiting appropriation for completion.

This is the American Navy, with the exception of several receiving ships, unfit for further sea service, two torpedo rams, and a few fourth-rate tugs. The Secretary of the Navy in his annual report to Congress tells us that—

It is questionable whether we have a single naval vessel finished and afloat at the present time that could be trusted to encounter the ships of any impor-

tant power—a single vessel that has either the necessary armor for protection, speed for escape, or weapons for defense. This is no secret; the fact has been repeatedly commented upon in Congress by the leading members of both parties, confessed by our highest naval authorities, and deprecated by all.

We are without ships for offense or defense; and as to our fortifications, they are practically useless and incapable of resisting the attacks of modern artillery. We are surrounded by the naval stations of Great Britain, the most powerful maritime power in the world, and possessing the largest facilities for the construction of vessels of every kind, the material, the plant, the shops, the tools, the appliances, "and, what is equally important, the experience resulting from the constant production of such work." In England the keels of one hundred fighting ships of the best types could be laid at once and speedily completed.

I find in a report submitted by the honorable gentleman from Pennsylvania [Mr. RANDALL] from the Commission on Ordnance and Gunnery a statement by a member of the firm of William H. Wallace & Co., iron merchants of New York, that—

> There is not to-day in the United States a plant capable of producing armor-plate of the thickness, the width, the length, the weight, and quality demanded by the navies and for the fortifications of to-day.

We are far behind in iron-ship building, and are without experience in the production of guns of the largest caliber. With these facts staring me in the face, I can not agree with the statement made here in April last by my honorable friend from Indiana [Mr. HOLMAN] that the country "was never in as perfect a condition of defense as it is now."

We are certainly not prepared to enter upon an aggressive policy should an occasion arise, nor are we for defense should we be attacked by any first or even second rate power. Such is our geographical position, such our resources and numerical strength as to insure immunity from attack by land.

Although our standing Army is insignificant, there is an innumerable host of disciplined and trained soldiers ready to respond to any call for the maintenance of the rights, the protection of the interests, and the defense of the honor of the country. The danger lies in the direction of fleets and squadrons, heavily armored ships with terrible armaments. A million of soldiers with the best equipment could offer no resistance to these. We have a long line of seacoast (5,700 miles in extent), and we are without the means of defending it.

Mr. Tilden, one of the ablest of our living statesmen, in a letter addressed to the Speaker of the House, says:

> The property exposed to destruction in the twelve seaports—Portland, Portsmouth, Boston, Newport, New York, Philadelphia, Baltimore, Charleston, Savannah, New Orleans, Galveston, and San Francisco—can not be less in value than $5,000,000,000. To this must be added a vast amount of property dependent for its use on these seaports. Nor does this statement afford a true measure of the damage which might be caused to the property and business of the country by a failure to protect these seaports from hostile naval attacks.
>
> They are the centers not only of foreign commerce, but of most of the internal trade and exchanges of domestic productions. To this state of things the machinery of transportation of the whole country has become adapted. The interruption of the currents of traffic by the occupation of one or more of our principal seaports by a foreign enemy, or the destruction of them by bombardment, or the holding over them the menace of destruction for the purpose of exacting contribution or ransom, would inflict upon the property and business of the country an injury which can neither be foreseen nor measured.

It will not do to say that no danger threatens, and give as a reason for the refusal to provide the means of defense that we are safe from attacks by foreign powers. It is true that at present we are upon terms of amity with all the nations of the world, and there are no specks upon the horizon to give warning of a coming storm.

But the maintenance of a naval establishment sufficient for the assertion of our rights is the first step toward the preservation of friendly relations with other nations, and the best guarantee against aggression. We remove danger to a greater distance by being in a state of preparation, and prolong the period of peace by being ready for the emergency of war.

Our naval establishment should be on a scale adequate for the defense and security of our vast interests, and commensurate with the importance and dignity of the Republic. Of the necessity for its increase there can be no doubt. I am convinced that it ought to precede the reduction of revenue, and that this work should be entered upon at once.

There are those who weary our ears with discourses upon the necessity for the practice of economy. While opposed to wasteful extravagance and to appropriations for unnecessary objects, I do not hesitate to commit myself unreservedly to a policy that embraces within its scope the welfare and prosperity of the country. With a surplus of revenue in the Treasury, the present time is peculiarly favorable for placing the country in a condition of security and for providing the agencies to enable its Government to command respect in all its dealings with foreign powers.

This is a period of universal depression, and there are thousands of idle mechanics and laborers watching and waiting for the opportunity to earn bread for themselves and families by the sweat of their brows. In every section of the Union are heard the mutterings of their discontent. The disorders which have appeared are the natural offspring of enforced idleness. By providing for this great national necessity we would do much to relieve them from hard and oppressive conditions and bring cheer and comfort to thousands of American hearts and homes. The iron and steel industries would receive a new impetus, and the inventive genius of our people would be stimulated to renewed activity. As the result of the pursuit of an intelligent policy in the direction indicated we would soon be independent of foreign countries for the supply of the agencies and means of national defense.

The importance of this subject was fully realized by that old patriot, Andrew Jackson, as early as 1842, in a private letter addressed to a gentleman who was then a distinguished member of Congress, in which he uses the following language:

> The Navy ought to be increased, and the necessary fortifications for the defense of our large commercial cities, our ship-yards, and arsenals. Beyond this fortifications are useless on such extended sea-coasts as ours, and the revenue arising from our public lands ought to be applied to the increase of our Navy, and finishing our necessary fortifications, instead of bribing the people by distribution to create the necessity of taxing them to fill a bankrupt Treasury.

Until the question of the relative capacity of resistance of defensive armor for ships and the penetrating power of modern artillery shall have been satisfactorily determined it may not be wise to add largely to our naval establishment. But I am satisfied that we should not pursue the policy of inaction and remain in our present condition.

In all the wars in which our country has been engaged the Navy has borne an important and conspicuous part. Upon no other theater of action have American skill and valor been displayed to greater advantage than in the handling and fighting of our ships. The brilliant achievements of its Hulls, Porters, Perrys, and Decaturs on ocean and lake, and a long line of worthy successors, have illustrated its worth; their services and sacrifices, worthy to be commemorated in song and story, commend it to favorable consideration, and should make it an object of peculiar pride.

During our civil conflict we entered upon a new era of naval warfare, and it is not likely that we shall witness a repetition of such engagements as those between the Constitution and Guerriere, the Wasp and the Frolic, the United States and the Macedonian. Those brave old ships, which once walked the waters like things of life and beauty, bearing our banners so proudly, would be useless to-day. They could not be trusted to engage in combat with a modern vessel of war, and could not withstand for a moment the fire of modern artillery. This was abundantly demonstrated when the Congress and Cumberland were attacked in 1862 by the confederate war steamer Virginia. They were able to make but feeble resistance to their powerful competitor, and although their broadsides were delivered with precision and vigor, they produced little or no effect upon the armored sides of the Virginia.

I pause to pay a passing tribute to the brave commander and gallant crew of the Cumberland. They refused to surrender, and went down firing their guns. They laughed death to scorn in broadsides and cheers, and when the dark waves, crimsoned with their blood, closed over the Cumberland, the flag of the Union was still at her peak.

The occurrence teaches that the agencies of one era are not sufficient for the emergencies of another, and that we should not neglect to keep pace with the march of improvements in naval architecture.

Special Taxation to Pay Pensions.

SPEECH

OF

HON. SILAS Z. LANDES,

OF ILLINOIS.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 24, 1886,

On the report of the Committee on Rules proposing an amendment to Rule XXIII, as follows:

"*Resolved*, That it shall be in order, when any general bill or proposition to increase the rates or amounts of pensions, or to grant pensions to persons not previously entitled thereto by law, is under consideration, to amend the same so as to provide by taxation or otherwise for the payment thereof; but no such amendment shall be in order unless the net revenue provided for shall be thereby set apart for the sole purpose of paying such increased pensions."

Mr. LANDES said:

Mr. SPEAKER: I hail the proposition to amend Rule XXIII as proposed as the beginning of an effort to apply a principle that will finally result in the emancipation of the people of this country from the most unjust and unequal system of taxation that ever oppressed any people. I am contemplating results beyond those which may flow from the adoption of this amendment.

From the debate that has taken place on this proposition I am convinced the intention is to add the machinery of an income tax as a rider to the proposed pension legislation, by means of which the necessary money can be raised to pay the obligations created. Why not pass these bills first, and afterward pass the income-tax law? I favor this mode of proceeding. I am so heartily in favor of the income system of taxation that I shall, at the risk of seeming a little premature, submit some remarks in favor of it. But before doing so I shall offer

some reasons why I am so anxious to see these pension bills enacted into law. The Congressional convention which assembled in my district a few days ago adopted a resolution favoring the repeal of the arrears limitation. This action accords with my individual views and is my command in the premises. I am in favor of liberal additional pension legislation so pressingly demanded by every sense of justice.

The Republican party, having practically had control of all national legislation since 1861, failed signally to enact just laws granting pensions to a very large proportion of our late soldiers who are most deserving of help from the public Treasury. This duty is now pressing upon this House, and I most sincerely hope that before we adjourn justice will be done to the old veterans heretofore unprovided for. We have now pending a bill to pension maimed and crippled soldiers; also a bill known as the Blair bill (Senate, No. 1886); also a bill to repeal the arrears limitation. All of these have my hearty approval, and I hope to see them enacted into law.

I want to see the Blair bill stripped of the amendments recommended by our Committee on Invalid Pensions and enacted into law just as it came to us from the Senate. We owe this to the soldiers as an act of justice as well as an act of gratitude. Our solders have not, in my judgment, received fair treatment as compared with the bondholders and other favored and privileged classes, as I shall briefly attempt to show, and it is high time we Democrats should apply our doctrine of equal rights and fair dealing to the end that justice may be done to a long neglected, most deserving, and patient class of men. Suppose these men had hesitated as long before responding in 1861 to the call to arms as the Republicans have in granting them their just rights, what would have been the result? Sir, when the war of the rebellion was inaugurated and the confederate hosts were being mustered within a few miles of this capital, a call was made to two classes of our people, one to take the musket, and charging through the red rain of battle, drive the confederates into submission or perish in the attempt, and the other to furnish money to equip the Army for effective service. Both classes responded, and by their joint effort this matchless Republic has been saved to us in its integrity.

How have these two classes been treated during and since the war? Let us see. The men who did the fighting, who bore the deadly brunt of battle, whose relentless persistence and dauntless courage won the victory, and a part of whom are still waiting, and have been patiently waiting for twenty years, with broken constitutions and disabled bodies resulting from that service, for the enactment of the just pension laws now contemplated, were paid in a currency depreciated 50 per cent. below gold value. What of the class who furnished the neccessary money? Have they been waiting twenty years for the enactment of laws giving them just recognition? Have they not received an interest pension? Let us see. June 30, 1866, the bondholders held $2,381,530,000 interest-bearing bonds, for which they paid a currency worth only 50 cents in gold on the dollar. These bonds were then, and are now, exempt by law from every kind of taxation. The men who did the fighting are taxed in a most burdensome manner. Why this invidious distinction?

The Republican Congress in 1869 enacted a law making these bonds that cost the holders 50 cents on the dollar (coin value) payable in coin, worth 100 cents to the dollar. Thus by a monstrous crime, a wanton and cruel act of spoliation of the rest of the people, the value of these bonds was doubled and still untaxed. The fighting soldier, paid in a depreciated currency, has not been made whole in this respect, and is still waiting for a pittance to compensate him for actual loss of vital force while serving his country, being continuously taxed on every article he wears and uses in his struggle to keep the wolf from the door.

I ask again, why this invidious distinction? These bondholders have been paid in interest $2,274,275,844, while the soldiers have been paid in pensions during the same time $830,000,000; in other words $1 in pensions to the soldiers and $3 to the bondholders. I would call attention to another fact that stands out against the tax-burdened people of this country. There seems to be some mysterious alchemy within the power of these bondholders. Republican legislation has given them some magical power, as great as that possessed by Aladdin's lamp, by means of which they are enabled to swell their claims against the people in a ratio greater than that by which they are paid off. Behold the result of this power as revealed in the following statement:

At the close of the war we owed the bondholders in round numbers, $2,381,530,294, which could have been paid then, if due, with less than 1,000,000,000 bushels of wheat at its lowest New York market price, which was $2.40 per bushel. We have paid this debt down to $1,210,600,000 in round numbers, and it will now take at its lowest market price in New York, about 1,350,000,000 bushels of wheat. In other words, it will take about 350,000,000 more bushels of wheat to pay the balance of the amount we owe the bondholders now than it would have taken to have paid them at the close of the war. We have paid almost one-half the original debt and $2,274,275,844 additional as the interest; adding the interest paid to the principal paid, we find the people have paid out of their earnings to the bondholders up to this time, in round numbers, $3,445,000,000.

The people are poorer by just that amount, and find that it will take more of their property now to pay out than ever before. Twenty years the people have been paying, and as they sold their produce to pay this debt year after year, they fondly hoped it was being reduced. The people can only pay the remainder by producing something to sell, and out of the proceeds of their produce the money must be realized. Oh, the power of money! The secret is, that under Republican legislation the bondholders have the power to increase the value of the remainder of the bonds they hold, compared with the value of produce, in a greater ratio than the amount is reduced by payments made.

The farmers and laborers, including those soldiers able to work, must make the property that being converted into money will pay this debt. After twenty years of toiling and paying they find themselves out of pocket over $3,000,000,000, and as compared with their ability to pay the burden has increased hundreds of millions of dollars. Behold, therefore, how Republican legislators have provided for the bondholder class, while the other class, the fighting soldiers, are waiting, many in the poor-houses, and many more while waiting have dropped into paupers' graves. The bondholders have been munificently treated, while the defenders of the old flag have been deceitfully cheated with promises.

It seems that the money in the Treasury amounting to over $200,000,000 is reserved there by virtue of laws enacted by the Republican party, and that it can not now be reached for the payment of additional or increased pensions. It further appears that an effort has been made by Mr. MORRISON, of the Committee on Ways and Means, to report favorably a bill releasing part of this reserve, and that other members of that committee, including Mr. HISCOCK, of New York, have signed and reported to this House a protest against such action, and that this line of policy is likely to be pursued by the other side of the House, and by the Senate. I do not believe in keeping this great sum in the Treasury. The money belongs to the people and should be in their hands. So far as they are concerned it might as well be buried in the sea as to be locked up in the strong vaults of the Treasury.

The country will be better off, the Government just as rich, if we repeal these laws of restraint, release this money from limbo and set it free to circulate among those who own it. Trade will improve, enterprise will be stimulated, and the idle and anxious laborers employed in remunerative occupations. I would pour it out among the people through the pockets of the old soldiers who are to be beneficiaries under the proposed pension legislation, and I believe the country will respond with a quickened prosperity. But as the shadow of a Republican Senate falls across the pathway to these results, we must turn elsewhere to find the money needed to satisfy the demands of the proposed legislation.

We have the statement of the honorable chairman of the Committee on Ways and Means that we can not expect a surplus much greater than $30,000,000 for the next fiscal year, and that this is the only fund that we can look to with which to pay additional and increased pensions. It will take $100,000,000 to pay all the demands that ought to be paid the first year under the repeal of the arrears limitation and the Blair bill. How is the money to be raised? Not by adding additional burdens to the overtaxed people, whose substance has already been filched away, and now swells the plethoric treasury houses of Eastern millionaires.

These burdens must be lightened—in fact lifted from the necks of the farmers and laborers of the country and laid on those who are more able to bear them. I therefore do not hesitate to say we ought to impose an income tax; a tax upon the accumulating interest, rents, and profits of the rich people and rich corporations of the country. It will not touch the principal of the vast capital nor vast estates of the rich manufacturers and monopolists who own four-fifths of the wealth of the country, but reaches for a small percentage of the incomes they gather annually from the toiling millions of people. In the city of New York alone the railroad, telegraph, express, and canal companies will pay in dividends for the year ending June 30, 1886, an amount now estimated at $260,000,000, being so much net profit, or income, for the year. The interest on United States bonds, dividends by banks and manufacturing companies will swell the amount to over $300,000,000 per year. Why not tax this income with the same propriety that the earnings of the farmer and wage-workers are taxed by the indirect and unseen operation of the tariff law?

I am in favor of an income tax because by it we may reach the profits of these great railroad, telegraph, and canal companies, and other monopolies that annually rob the people of hundreds of millions of dollars. Congress has the indisputable constitutional right to regulate commerce, domestic and foreign. Yet great railroad corporations are permitted even now, heartlessly and with an unsparing hand, to exercise the equivalent of this power and levy tribute at will on the agricultural productions of the land. The actual cost in cash of all the railroads is less than three and one-half billions of dollars, but to represent which stocks have been watered and bonds issued to the amount of $9,000,000,000. Rates on the freight and passenger traffic have been fixed at a scale to earn for the holders of this inflated and false valuation at least 10 per cent. net. As was aptly said by the gentleman from Arkansas [Mr. DUNN]:

They take the country's note for $3 to every $1 invested, and they collect interest on the whole amount. Cheap as transportation seems to be in this country, if it were brought down to the basis of legitimate earnings on the money

actually invested, it would be one-half of what it is to-day and yet pay a liberal remuneration on the capital invested.

As it now is these roads, on an average, pay back to the owners their full cost every three and one-half years. They earn on an average nearly $3,000,000 per day the year round, leaving out of the count Sundays and legal holidays, and every dollar comes off of the farmers and laborers of this country. These great corporations do this by usurping and exercising the taxing power, levying tribute with a limit bounded only by their own cupidity and avarice.

I would lay the strong hand of the law on these gigantic corporations, and compel them to contribute of their unconscionable earnings so mercilessly wrung from the farmers and wage-workers, a just proportion to the revenues of the Government, out of which we would be able to pay liberal pensions to all deserving soldiers without burdening the already overtaxed farmers and laborers.

I favor an income tax, because by it we may reach the protected manufacturers who have grown opulent, powerful, and plutocratic under the operations of the protective-tariff system by plundering with an unseen hand the farmers and laborers of the country. Availing myself of the latitude allowed, I will allude to some of the evidence of wrong and robbery suffered by the many for the benefit of the few. I shall be brief. Let me observe, however, if we tax the soldiers to raise the money to pay them pensions it amounts to a mockery, while if we tax the rich it will add nothing to the burdens of the soldiers, farmers, and laborers, and every dollar received will be a help, in fact, not to the soldier element alone but to all the people. When we reflect, therefore, that we must raise additional revenues to pay increased and additional pensions, either by an income tax or by tariff taxation, it becomes a vital question to the soldiers and the citizens which shall be adopted.

A protective-tariff law practically means a law transferring to the hands of manufacturers within the United States the power to levy taxes (under the present law to the extent of 47 per cent. on the value of their goods) for their own gain on all the people who consume their goods. Not one dollar collected by this mode of taxation goes into the public Treasury. But if a foreign manufacturer brings his goods here to sell, the people who buy from him pay into the public Treasury the same rate of taxation that the domestic manufacturer is authorized to exact for his own gain. Therefore, as the United States is the greatest manufacturing nation on the earth, and as the domestic or home manufacturers sell to our people more than six times the quantity of goods that the foreigners do, it follows that of all the money exacted by tariff taxation, counting the cupidity of the home manufacturer to impose the full power of the law, $1 goes into the public Treasury and $6 into the pockets of the home manufacturers.

The power thus conferred on the manufacturers enables them under our present law to sell goods to the people for an average of 47 per cent. more than they are worth, and this is the protection afforded them and this is exactly what protection means. The pretense for this protection one hundred years ago was to help our manufacturers to make a beginning, as they were new and had no experience, and their business was called the infant industry. Now the false pretense is, to enable our manufacturers to pay wage-workers double the price for labor that they claim is paid in England. The force of the statement made by my distinguished colleague [Mr. MORRISON] some time ago can be appreciated. He said:

> Whoever buys a nail, a hoe, an ax, a yard of cloth, or spool of thread in all the tens of thousands stores and shops where merchants sell their wares, meets there the tax-gatherer, taking taxes for the Government or bounty for the manufacturer.

The average tariff for 1789 was 8½ per cent.; for 1792, 13½ per cent.; for 1826, 37 per cent.; for 1861, 43 per cent.; and now over 47 per cent. Thus the growing power of the manufacturers to obtain legislation in their interest is marked. To-day instead of being infant industries, these manufacturers represent giant industries, the greatest on earth. So great has their power grown that they said to one hundred and forty of the people's representatives in this House the other day, "You shall not even consider the question of reducing our power to tax the people." The infants have grown to giants; the giants have turned on the people and defiantly say, "We are your masters." And it is true, and they obtained and for the last twenty years perpetuated their power by false pretenses, false prophesies, and deceitful methods.

I shall refer to one or two of these pretenses. In 1870, on this floor, the distinguished leader of the protectionists [Mr. KELLEY] said: "Keep your duties high enough to induce other men to build furnaces and rolling-mills, and before five years you will find American iron cheapened to the level of the markets of the world, and that without a commensurate reduction of wages." (Appendix to the Congressional Globe, volume 1, page 208.) Five, ten, yes, sixteen years have passed, and furnaces and rolling-mills have been built in Virginia and Alabama and other places, and has time proven the truth of Mr. KELLEY'S promise? Let us see. Steel rails are selling for $34.50 in our market, in England for $17, or less than one-half, and nearly the same ratio of difference is maintained in the price of iron of all kinds. Behold your honored prophet!

In the same speech the same honorable and honored leader explained very fully how a high protective tariff tax would "create a home market for the grain of Iowa and Illinois and the other States whose farmers complain that they have no market for their grain."

While the honorable gentleman was speaking the wheat of these farmers was selling for $1.90 per bushel in New York, while it is now worth but 84 cents per bushel in the same market. Again, in 1882, under a law made for that purpose, a "tariff commission," consisting of nine members, was created to investigate all questions, &c., "so far as the same may be necessary to the establishment of a judicious tariff or a revision of existing tariff upon a scale of justice to all interests."

This commission reported to Congress that after taking and considering much testimony it "sought to present a scheme of tariff duties in which substantial reduction should be the distinguishing feature. The average reduction in rates * * * at which the commission has arrived is not less on the average than 20 per cent., and it is the opinion of the commission that the reduction will reach 25 per cent." The revision proposed by this commission was enacted into law because the commission represented it would reduce the rates at least 20 per cent. The rate in 1882, which was to be reduced 20 per cent., was a little over 42 per cent. What is the result? Instead of a reduction we find it increased from an average of 42 per cent. to an average of 47 per cent. Behold your false prophets! They live by deception, and rob you with the assurance that it is doing you good. Thus by false pretenses and fraud have protectionists maintained themselves.

The two marked and distinguishing features are an increase in the rate of taxation and in the discrimination against the poorer class. On the finest broadcloth, worth in the markets of the world $3.50 per yard, is imposed a tax of 50 per cent. This is for the rich. On cheap diagonal goods, worth 45 cents per yard, is imposed a tax of 180 per cent. This is for the poor; and so the schedules all discriminate. We have had a protective tariff for twenty-five years, and let us see where the money of the country is. It is estimated that there are $1,571,000,000 in the United States.

Greenbacks	$346,000,000
National-bank notes	310,000,000
Silver dollars	215,000,000
Subsidiary silver	75,000,000
Gold coin and bullion	625,000,000
Total	1,571,000,000

Massachusetts according to her population is the greatest manufacturing State in the Union. Her soil is perhaps the poorest but her people have in the savings-banks $274,000,000, and are increasing the amount by over $12,000,000 annually, and this is not all the money that is in that State. Massachusetts has about one-third of the entire cash of the United States, and one-thirtieth of the population. If there are five people to each family in that State, then if the deposits in the savings-banks were divided equally among the families, each would have $685, estimating the population at 2,000,000. If we divide the $1,571,000,000 equally among 60,000,000 of people, we have a little over $26 to each person; if we divide the $274,000,000 in the savings-banks of Massachusetts equally among her 2,000,000 people, each will have $137. The same ratio holds in the other manufacturing districts. We have the statement of the honorable member from New York made the other day that "there is near $600,000,000 in the savings-banks, trust, loan, and mortgage companies of New York alone," while the gentleman representing the Pittsburgh district of Pennsylvania [Mr. BAYNE] boastingly stated that in one bank in that city were deposits amounting to $9,000,000. A protective tariff therefore undeniably puts, in twenty-five years, an average of $685 to the credit of every family in Massachusetts, and an average of near that amount as a debt upon every farmer in the West. Add the deposits of Massachusetts to those of New York, and we have the grand total of $874,000,000, or $100,000,000 more than one-half of all the money in the country in two manufacturing States. Now, add to this $238,630,815 in gold and greenbacks which are in the vaults of the national banks, as shown by a statement recently issued from the Treasury Department, and we can see where $1,112,630,815 of the people's money is; leaving less than $500,000,000 for the people, a large proportion of which is locked up in the United States Treasury. These are some of the results of protection.

Such is the contrast between the financial conditions of the people protected, on the sterile soil and barren, bleak hills of Massachusetts, and the people who are taxed to afford this protection, living in a country blessed by Heaven with a soil unsurpassed on the earth for its fertility and abundant harvests. In proportion as manufacturers are protected they grow rich, and in proportion as they grow rich the farmers and laborers grow poor. The census statistics show, from statements made by the manufacturers of the Eastern States themselves, and I doubt if they told the whole truth, that in Massachusetts they made a clear profit of 29 per cent. on their capital, in Pennsylvania 30 per cent., and in Maine 28 per cent. What do the farmers make on their invested capital, counting out the value of the labor of themselves and families?

The power of money in the hands of such a plutocracy as has been created and fostered by Republican legislation was admirably described on this floor the other day by that distinguished Massachusetts Republican, Mr. LONG, when he said:

> My experience and yours is that capital takes care of itself, under whatever circumstances. Come gold or silver, come high rates or low rates, come boom or panic, come inflation or contraction, it eludes danger and improves oppor-

tunity. It is selfish, Argus-eyed, potential. I mean that capital which is so especially obnoxious to-day to public sentiment, and which is the selfish equipment of the plutocracy.

Plutocracy is the word. It embraces bondholders, national bankers, railroad, telegraph, telephone, and canal magnates, and the protected manufacturers. They have the greater part of the money, and they own four-fifths of the entire wealth of the country. Under Republican legislation they have been allowed to exercise control of such part of the taxing power as they wanted, which they have used in such manner that they reap where they have not sown. "Their incomes are plethoric with never-ceasing accretions. The golden streams that flow toward their doors continue with ever-increasing volume. Their tables are loaded with costliest wines and the luxuries of all lands. Their pathway through life is strewn with earth's choicest flowers." What a contrast with the condition of farmers and laborers! Who dares say it is wrong to tax the more than princely incomes of these plutocrats, to raise money to pay additional pensions and for general governmental purposes.

I am opposed to protecting one class of our people at the expense of the others. I am opposed to a protective-tariff tax at the state our manufacturing interests have arrived, being the greatest manufacturing country in the world, manufacturing goods in a single year worth $5,370,000,000, while the products of English manufacturers reach but $4,000,000,000. I think protection to such a gigantic enterprise is a ridiculous thing, and a cowardly crime against the people at whose expense it is maintained. It is a deceptive, indirect, unseen, insidious, and undemocratic method of taxation, by which the protected class is enriched by plundering all others. And the people who have borne this burden are restless, and will not continue to bear it without retaliation.

I will not warn these Eastern plutocrats with such a threat as the distinguished leader of the Iowa Republicans made on the floor of the House the other day when he said, "The Western country demands and will have protection—by argument if need be, but by war if necessary. I retract not a word." (Speech of Mr. HENDERSON.) But I will say I think you are trampling too hard upon the necks of Western farmers and laborers; your increasing exactions are being yielded up to you with greater reluctance, with greater pain. As you give your thumbscrews another and another turn, under the macerating crush of your tariff machine the golden blood-drops still trickle into your unsatisfied hands; but with each turn the life-blood of your victim quickens as it leaps from the heart to the extremities, throbbing hot, angry protests against your refined cruelty. Beware how you further pluck a suffering people, or you may drive them from the attitude of remonstrating to the act of retaliation, or to something worse.

The oppressed are numerically stronger than you are. In this country majorities can rule. Suppose the wheat-growers adopt your theories and arguments and demand substantial protection to the depressed industry of wheat-growing, to the end that wages may be increased to the farmers and farm hands. They could, in justification, quote Mr. KELLEY, who in 1870 laid it down as a truism that "he who advocates protective duties pleads the cause of the American laborer," and the burden of his argument is that we must protect American labor against the pauper labor of Europe. With greater force the farmers and farm laborers can point out that they are in direct competition with the pauper labor of India. The price of wheat is fixed by the market in free-trade England; the farmers must take a free-trade price in a free-trade country in competition with wheat raised in India where laborers work for 8 cents per day and board themselves. Hear what Consul Shaw says:

> Cooly laborers will work for from $3.89 to $4.38 a month, and provide their own food and lodging. In remote agricultural districts good labor is obtainable as low as $2.50 per month, including food, or a little over 8 cents a day.

Suppose the farmers come, saying protect us from this pauper labor by paying us a bounty of 47 per cent. ad valorem (a little less than the rate at which you are protected) on every bushel of wheat we export. We have precedents from the First Congress down to the present time. A bounty was paid to New England fishing vessels for many years, and as early as 1799 the Fifth Congress enacted that on all provisions salted within the United States and exported "there shall be allowed and paid 25 cents per barrel, to be paid by the collector of the district from which the same shall be so exported without deduction or abatement." Here is the precedent, and the constitutional warrant is as strong now as it was then, and the necessity for such bounty to the wheat-grower more pressing now than it ever was to any class. How can you answer such demand? It is a business proposition. There is no politics in it.

All can join in the demand who raise wheat or work on farms. It will not be long, good masters of Pennsylvania, New York, and New England, if you do not reduce your rate of taxation with which you now oppress the people, until you will hear a cry coming out of the West, deepening in ominous tones like a troublous, invading sea, swallowing the earth—the cry of a mighty people driven to desperation by your relentless injustice, oppression, and spoliation. You may gaze on the gleaming splendor of your colossal and ill-gotten wealth while you listen to the ominous and thundering voice of your millions of victims demanding that "private extortion must yield to public right, selfish interest must yield to the general good, and each individual's manhood must be left free, unhindered, and unhelped by Government to work out its own destiny," or that you give them also protection from the pauper labor of India by a bounty on all they produce for export. Then you can make ready to unlock the plethoric treasuries containing the booty of protection to the strong hand of a just law reaching for a fair proportion of the necessary revenue of this Government, not only to pay pensions but for other governmental purposes.

In contemplating the financial poverty and deep distress of the people of the splendid West, and the splendor and opulence of the people of sterile New England, I call to mind the familiar lines of Goldsmith and to which I invite attention:

> Ye friends to truth, ye statesmen, who survey
> The rich man's joys increase, the poor's decay,
> 'Tis yours to judge how wide the limits stand
> Between a splendid and a happy land.

Let us avert the irrepressible conflict by doing justice to all; let the burdens of government only rest on the people and be borne without discrimination. A tariff for revenue only is democratic and just. Reduce tariff taxation and the distress prevailing in the West will disappear, and contentment will take the place of discontent. All we ask is equality before the law. Let us pass these pension bills and follow them by an income-tax law and we will do our duty, merit and receive the gratitude of the waiting tens of thousands of the soldiers, and the applause of constituencies who will be greatly benefited by the distribution of millions of money that is otherwise gone from them forever.

Geological Survey.

SPEECH
OF
HON. A. J. WARNER,
OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Monday, June 28, 1886,

On the bill (H. R. 9178) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1887, and for other purposes, and particularly the item providing for the Geological Survey, &c.

Mr. WARNER, of Ohio, said:

Mr. SPEAKER: By a provision carried through the House on an appropriation bill in the Forty-sixth Congress, and which became a law, the several separate geological surveys then in progress were consolidated under one management, in order, it was claimed, to secure better direction, save duplication of work, and lessen the expense of geological surveys.

Prior to this act there had been several independent surveys, each directed to certain districts in the Territories or to specific objects, as the Wheeler survey, the Hayden survey, the Powell survey, and a survey by Clarence King, under the direction of the Chief of Engineers, I believe. These surveys were more or less independent, and, if not in conflict, did not work together as one survey or have a common purpose. I have never doubted the wisdom of the consolidation of these several surveys, and I believed at the time that it would lead to more uniform and better work at less cost, and it certainly ought to.

But instead of the work being confined to a geological survey proper, it has been extended so as to include almost everything from economic and descriptive geology to statistics of production and other matters that have no direct relations whatever to geology proper, and apparently entered upon for no purpose but to extend and magnify the importance of this bureau, increase its patronage, and spend the public money.

Originally the several surveys referred to were limited to the scientific examination of unexplored fields in the Territories, to examinations and reports upon mining regions, and the delineation of the geological structure of these districts. These surveys have been of great value, not only for what they have contributed to economic geology, but for their extension of our knowledge of the stratigraphical geology of the Rocky Mountain regions and the range and extent of our great mineral deposits in the regions west of the Missouri.

The continuation of this work upon a well-organized plan, and its extension beyond the limits originally prescribed, will have my support. But as it is being carried on the cost has gone on increasing until it is out of all proportion to the value of the work done. The scope of the work, too, has been enlarged so as to include things that do not belong at all to the domain of geology. What has geology to do with the work of a blast-furnace, or the production of pig-iron, or the making of Bessemer steel, or of clay pipes, any more than with the number of hens' eggs laid or the quantity of meat product of the country? It does not require geologists, at high salaries, to gather such information. The gathering of statistics of production and trade belongs to other fields entirely, and ought not to be brought into a scientific sur-

vey of the stratification of the earth's crust or the relation of mineral deposits to other formations.

Again, Government work ought to be rigidly restricted to those fields which private enterprise could not as well develop or to which it is not adequate. Private enterprise would not and could not undertake to minutely examine a whole continent and describe its stratigraphical features and the location and relation of mineral deposits. Nor is private enterprise likely to gather from wide areas the material requisite for a right solution of important questions in paleontology, important in their bearing on stratigraphical and economic geology as well as on the ultimate solution of the order of development of life on the globe.

But when a geological survey carried on at public expense has done this work, has examined the field, gathered and reported the facts, and supplied the material, that is as far as it should go. The love of science, ever growing, is sufficient to prompt a full discussion of geological theories and the order of development of vegetable and animal life on the globe.

The public treasure should not be used to enable a few favored persons, sometimes mere tyros in science, to acquire cheap reputations at public expense. There is danger that science itself, in the long run, may suffer by being taken entirely under the wing of the Government. The great geological discoverers, the Werners, the Suttons, and Lyells, the men who worked out the great geological problems and founded this grand science, were not pampered pets of governments, but great students who for the love of truth and the interest they felt in the grand problems which this new-born science raised devoted their lives to its study.

The work by Government, in my opinion, should be limited to the study of stratigraphical and economic geology, and to the collection of material in paleontology.

The theoretical discussion of all geological questions should be left to scientists interested in them.

To what extent topography and topographical mapping ought to be carried may be a matter on which opinions will differ. In my opinion a general outline of the topography of the country is all that should be undertaken.

True meridian lines should be laid down and properly marked by reference points. The main features in the physical outlines of the country might be delineated and levels determined, but the proposition to map the real estate of the country so as to indicate boundary lines between farms and to make such lines conform to true meridian lines, is simply absurd.

I have seen it proposed to produce in thousands of sheets maps of this character. Such maps, if made and offered to the public, would not sell for what paper pulp unspoiled by ink would be worth. They would simply go to swell the pile of useless rubbish that is annually ground out at the Government Printing Office, and which nobody reads or looks at and which is not worth the time to read. I have somewhere seen among the reasons given for detailed topographical maps that by them railroads might be located. This is foolish and on a par with a good deal of what has been recommended. What railroad engineer would locate a railroad by a map? Topographical maps, when railroad engineering was carried on, as it is feared a good deal of this geological work is now carried on, simply to spend money, were sometimes made, but no practical engineer makes such maps now or uses them.

The criticism which has been justly made to the method of conducting the Geological Survey by the present director, is its great cost as compared with the limited amount of really valuable work. What is there to show for the $400,000 appropriated last year? It has most of it gone for high salaries and highly paid employés—highly paid for what they really do. Some of it, I am credibly informed, for salaries where almost no services at all are performed. Twenty thousand dollars of it has gone to pay rent for offices luxuriantly furnished in this city. This is almost one-fifth of the entire sum paid by the Government for rents in Washington and three or four times as much as offices for any other Government office costs. Who fixes these rents I do not know, but it is an item which shows how and where the money goes.

Again, the fixing of salaries and the number and grade of employés should not be left at the discretion of one man.

It is too great a power of patronage and too great a power to spend the people's money without a more direct and binding responsibility than now exists.

Indeed the criticism on the management of the Geological Survey is applicable in a greater or less degree to other scientific bureaus, especially the Signal Service and Coast Survey.

What is manifestly most lacking all through is good administrative control. Scientific men owe it to themselves, and they owe it to the country, and more than all to science itself, to see to it that when money is appropriated for scientific work, that it should be spent in a way to secure the best possible scientific results. As things have been going it would bankrupt the country to supply all the money the engineers, the architects, and the scientists would like to use.

This brings me to what I believe has become a necessity if we are to continue these various classes of scientific work, and that is the formation of a department with one capable administrative head, into which department should be gathered all these several bureaus, such as the Agricultural Department, the Geological Survey, the Coast Survey, the Fish Commission, the Naval or National Observatory, the Bureau of Labor, the Bureau of Education, the Bureau of Statistics—to be enlarged, perhaps, to a bureau of statistics of production, trade, and commerce, the Signal Service, and, perhaps, the office of the Architect. This department might be called the department of science and instruction. But whatever it may be called, it would be a department of great importance and would call for the best administrative talent in the country to properly manage it. At the heads of the several bureaus should be men skilled in the line of duties pertaining to each respectively.

Until such a department is organized and these separate bureaus brought into more reciprocal relations, and become better directed, I have little hope of any great improvement in the mode of carrying on the various works; and, for one, I shall favor limiting appropriations until we can be assured that money appropriated for scientific work will be wisely spent and not wasted on useless work or bestowed on favorites for personal reasons rather than for valuable services performed.

The Late Senator Miller.

REMARKS

OF

HON. WILLIAM S. HOLMAN,

OF INDIANA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, June 19, 1886.

The House having under consideration the following resolutions, submitted by Mr. MORROW, of California—

"*Resolved*, That the House of Representatives has received with great sorrow the official announcement of the death of JOHN F. MILLER, late a Senator from the State of California.

"*Resolved*, That the business of the House be now suspended, that opportunity may be afforded to members to give expression of the sentiments they entertain for the life, character, and public services of the late Senator MILLER, and the loss sustained by the country in the death of so able and faithful public servant.

"*Resolved*, That at the conclusion of these tributes to his memory the House stands adjourned"—

Mr. HOLMAN said:

Mr. CHAIRMAN: JOHN F. MILLER, late a Senator of the United States, was a native of Indiana, and it seems proper that the voice of that State should be heard in this public expression of sorrow for his death. Mr. MILLER was of Virginia descent. His ancestors were Virginians. His father emigrated from that venerable Commonwealth to the then new State of Indiana, where JOHN F. MILLER was born and educated, enjoying, as I have been informed, such educational advantages as are common to the young men in a comparatively new settlement. His father and mother were eager to furnish him every opportunity that their circumstances would permit. He studied law under favorable conditions, entering upon the practice of that profession at an early age. In 1860, for the first time, so far as I am informed, he became prominent in the politics of the State, but before that time had visited California and practiced his profession in that State. No political contest in the history of Indiana was ever of more interest than that of 1860.

An unusually large number of young men came to the front who identified themselves with the fortunes of the Republican party, then in its early vigor. The great question soon to involve the nation in war was arresting the attention of all men, and gave unusual animation, anxiety, and earnestness to that contest throughout the whole Union, but in no State more than in Indiana. Mr. MILLER was elected to the senate, I think, from the county of Saint Joseph, at that time one of the strong young counties of Indiana. I was then a member of this House, and residing remote from his section of the State my knowledge of Mr. MILLER was slight; I only knew him as one of the promising young men who had just entered public life. He occupied in the senate a position with a number of young men of unusual ability, some to become known in arms and civil affairs.

He was not specially active or prominent in the current business of that body, for, from the time the senate to which he was elected assembled, the hurrying, remorseless events which were soon to involve the land in the misfortunes of civil war were arresting the attention and filling the minds of all men. When the tocsin of war was sounded he resigned his position in the senate and hastened into the Army of the Union without a moment's hesitation. Enough was known of Mr. MILLER at that time to warrant the belief that, if life were spared him, he was entering upon a brilliant career. The gentleman from Ohio [Mr. GROSVENOR] has rehearsed in eloquent terms his honorable and heroic record in the Army. I will not dwell upon that record. The gentleman from Ohio, his comrade in arms, has well and ably presented the leading events of that honorable record, but I can testify that the

hopes of his friends were fully realized in his honorable career in the Army.

Entering the Army as colonel of the Twenty-ninth Regiment of Indiana Volunteers, with the manly and gallant deportment and those qualities and sentiments of honor, courage, and prudence which secure respect, confidence, reputation, and distinction alike in civil and military life, Mr. MILLER, rapidly rose to the rank of brigadier-general and a higher grade by brevet for heroic deportment in battle. He attained that hign position not by any favoritism, but by the force of character and qualification and capacity for military affairs. After the war was over Mr. MILLER, having previously resided for a short time in California, returned to that State. I think the last time I saw him in the city of Indianapolis was shortly before he left Indiana for California. I then saw that the man of 1860 had grown in every respect. Possessed of very fine social qualities and marked energy of character, he was then displaying that broad capacity, especially for business affairs, which afterward, even more than his career in politics, seems to have distinguished his life.

About the year 1870 Mr. MILLER came to this capital in connection with legislative matters affecting the State of his adoption—enterprises on the Pacific—the State which then seemed even more dear to him than the great State from which he had emigrated. While in Washington I saw him frequently. He called on me as an Indianian. He frequently appeared before one of the committees of the House of which I had the honor to be a member, and I was still further impressed with the scope and breadth of the views which he entertained and expressed touching the great interests of the Pacific coast. He saw clearly the magnitude of the resources to be developed there in the then early future; he comprehended the situation thoroughly, and seemed prepared and qualified to enter into all the great enterprises of the Pacific coast with the energy, hopefulness, and confidence which had marked his character in earlier life; so that, from the observations I made of Mr. MILLER at that time, I was not at all surprised when, soon afterward, he became prominently identified with the political as well as business affairs of the State of California.

His election to the Senate of the United States seems to have been the result of the confidence inspired by his intelligence, force of character, capacity, and patriotism. His career in the Senate is known to the country. He died in comparatively early life, at the period, perhaps, when most public men have but fairly entered upon the real usefulness of a public career. The death of an eminent and useful citizen connected with public affairs at such a period in life before the weight of age has rested heavily upon him, is always a melancholy event, to be deplored not alone in the home circle or the State of his residence but by his whole country.

It would have been strange if the career of Mr. MILLER had not been a marked one. His abilities were of a very superior order. From my earlier acquaintance with him I should not have thought that he would be as eminent in statesmanship as in the field of business and affairs. He seemed to me to possess the capacity of comprehending in their widest extent, as well as in their minutest details, the great affairs of business, the enterprises that make and open opportunities, that create great industries, that develop a great and prosperous community.

His capacity and powers as seen by me were of that character, rather than such as give men prominence in politics or statesmanship. He did not seem to me to be a man who would engage earnestly in political contests and rise to eminence by devotion to the principles and fortunes of a political party, but one who would achieve reputation and distinction in business enterprises and commercial affairs. He entered the Army, as I inferred from what I knew of his views, not so much by any special antagonism to the institutions of slavery, the cause of that fearful contest, as by devoted attachment to the Union, a sentiment that filled the hearts of the young men of Indiana.

The men who migrated to Indiana from Virginia and others of the older States were in many instances strongly anti-slavery in their sentiments, but the great mass of the young men of that section of the country who rushed forward to support the tottering fabric of the Union were influenced more by a living sentiment of devotion to the Union of the States than by any settled convictions as to whether slavery should be abolished or not. The preservation of the Union of the States inspired them. The motive seemed then sufficient to inspire the grandest heroism, but how much grander now than even then!

In later years, however, as I inferred from a brief conversation with him on the Pacific coast last summer, his views had become much more confirmed and positive upon political subjects, and he seemed to cordially and heartily indorse the principles of the great party with which he had been associated from early life. And yet he seemed to me more a man of business and affairs than a politician or statesman.

I can only add, Mr. Speaker, that the death of a man of his broad views, his capacity for affairs, his devotion to country, is a great misfortune to the whole Union, and that in no one of the great sisterhood of States will the expression that will be made by this House, and has been in the Senate (so appropriate to the loss of so great a citizen), of appreciation of the qualities which made JOHN F. MILLER eminent, honored, and distinguished alike in war and in peace, find a larger body of earnest sympathizers than in the State which I have the honor in part here to represent.

The Surplus in the Treasury.

SPEECH

OF

HON. PERRY BELMONT,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886,

On the joint resolution (H. Res. 126) directing the payment of the surplus in the Treasury on the public debt: to which several amendments were offered.

Mr. BELMONT said:

Mr. CHAIRMAN: The integrity and wisdom with which the affairs of the Treasury Department have been managed during the past sixteen months have contributed largely to the confidence undoubtedly existing throughout the country in President Cleveland's administration. I can not see, therefore, why the House should adopt a resolution withdrawing from that Department a discretionary power which has not been abused and which in practice has proved to be absolutely necessary for the proper protection of the credit of the Government—a power to be regulated by commercial laws and requirements, and which can not be safely subjected to political interference.

Protests have often been heard in this House against the power of the national banks. Why, sir, the national banks would be mere pigmies compared to the Treasury Department of the United States as a bank of issue, with both Houses of Congress acting as a board of directors, limiting and controlling its issues and reserve. As a Democrat, looking to the future of the party, I can take no part in promoting any action in this House having such a tendency, and I shall therefore vote against the resolution.

A resolution very similar in character was presented for the consideration of the Senate in 1882 by a Republican Senator (Mr. PLUMB, of Kansas). It was as follows:

That the Secretary of the Treasury shall use all of the funds now held in the Treasury for the redemption of United States notes in excess of $100,000 000 in the redemption of the bonds of the United States, such redemption to be made in not less than three installments; and the said sum of $100,000,000 so left in the Treasury shall not be increased or diminished except in the redemption of United States notes.

The unwisdom of that resolution seems to have been effectively pointed out at the time. Nor have I heard in the present discussion any answer to the letter of Secretary Manning of February 13 last, which I will ask to have read:

TREASURY DEPARTMENT, *Washington, D. C., February* 13, 1886.

SIR: I have received a copy of the following proposed joint resolution respecting surplus revenue, now under consideration in your committee, and upon which you do me the honor to request my opinion:

"Joint resolution directing the payment of the surplus in the Treasury in excess of $100,000,000 on the public debt.

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That whenever the surplus or balance in the Treasury, including amount held for redemption of United States notes, shall exceed the sum of $100,000,000, it shall be, and is hereby, made the duty of the Secretary of the Treasury to apply such excess, in sums not less than $10,000,000 per month during the existence of any such surplus or excess, to the payment of the interest-bearing indebtedness of the United States payable at the option of the Government."

The language of this resolution is such as to include in the "surplus or balance in the Treasury" the amount held for redemption of United States notes. This is in no sense a surplus, but is set apart and appropriated as a minimum security and reserve for the redemption and payment of $346,681,016 of United States notes which have been issued, both of which are specifically promised in the act of March 18, 1869 (R. S., 3693). This reserve, amounting to $100,000,000, should, of course, be held above all possibility of an encroachment like that which my distinguished predecessor, Mr. McCulloch, in his last annual report (page 33), was constrained to exhibit and deplore.

The resolution now before us requires that there should be at no time a surplus in the Treasury available for the general needs of the Government to exceed $10,000,000, and that when this sum is reached it should be immediately paid upon the public debt.

After nearly twelve months' experience in the conduct of this Department, and forecasting, as well as I am able, future requirements of the Treasury, as now defined by existing laws, and as they may be affected by legislation yet to come, and considering the course of future receipts, which are liable to influence from many causes, such as the fluctuation of imports, the prolonged depression of trade, and the marketing of more or less of our agricultural products abroad, I can not now foresee a state of things which will make it prudent to limit the surplus reserve in the Treasury to a sum ranging from nothing to a maximum of $10,000,000.

The legislation now before Congress relating to pensions will, if perfected, increase the demands upon the Treasury to an amount which it is impossible to exactly estimate; and a late decision of the Supreme Court subjects the Government to the repayment of duties collected, the aggregate of which is large but altogether indefinite. These things are mentioned to remind the committee that neither the calls upon the Treasury nor the exact time that such demands must be met can be precisely foreseen.

It would seem to follow, as a business proposition, that if the Government is to maintain its credit, in the sense of being prepared to meet all just demands, which are impossible of ascertainment in advance, there should be a reasonable sum laid by or kept on hand for that purpose.

Respectfully yours,

DANIEL MANNING, *Secretary.*

Hon. WILLIAM R. MORRISON,
Chairman Committee on Ways and Means.

One argument advanced in favor of this resolution is that it will pre-

vent "improvident and wasteful expenditures." That is a meritorious object, but, in my judgment, this is not the proper way to attain it. It is an unwise plan for Congress to reduce the Treasury reserve to the danger point for the purpose of controlling its own expenditures. Another reason assigned for the passage of the resolution is that it will save one or two millions a year in interest.

The fact is that the Treasury Department has quietly and unostentatiously saved more than double that amount during the last fiscal year by the prudence with which it has administered its own affairs. I have received a statement, which I will ask to have appended to my remarks, which shows in detail that, notwithstanding an increase in expenditures for construction and repairs of public buildings of nearly half a million there has still been a net decrease of $4,600,000 in the expenditures of the Department for the fiscal year 1886 as compared with 1885. In view of these considerations I think the country can safely leave to the Treasury the discretionary powers with regard to the reserve fund which it has hitherto wielded with such admirable judgment and prudence.

Comparative statement of certain expenditures of the Treasury Department for the fiscal years ended June 30, 1885 and 1886.

Object.	1885.	1886.	Increase, 1886.	Decrease, 1886.
Salaries, offices of Treasury Department	$3,055,878 09	$2,921,688 73	.....	$134,189 36
Contingent expenses, Treasury Department	111,084 86	105,779 24	.....	5,305 62
Salaries and expenses, independent treasury	456,707 80	435,420 17	.....	21,287 63
Salaries and expenses, mints and assay offices	1,333,703 52	1,135,957 96	.....	197,745 56
Salaries and expenses, internal-revenue service	4,550,623 21	4,129,293 31	.....	421,329 90
Collecting the revenue from customs and detection of fraud on customs revenue	6,572,543 00	6,448,351 19	.....	124,191 81
Repayment to importers	4,703,737 39	3,291,086 13	.....	1,412,651 26
Debentures or drawbacks	8,560,455 43	8,074,429 73	.....	486,025 70
Furniture, and repairs of same, for public buildings	234,873 02	147,687 88	.....	87,185 14
Heating apparatus for public buildings	134,821 67	132,709 40	.....	2,112 27
Fuel, light, and water for public buildings	555,744 54	528,871 08	.....	26,873 46
Repairs and preservation of public buildings	165,120 54	177,085 19	$11,964 65	.....
Construction of public buildings	2,455,174 20	2,868,171 77	412,997 57	.....
Marine-Hospital Service	404,638 19	458,154 89	53,516 70	.....
Life-Saving Service	859,193 17	870,691 27	11,498 10	.....
Light-house establishment	2,284,868 97	2,062,033 46	.....	222,835 51
Coast and Geodetic Survey	557,618 42	518,472 83	.....	39,145 59
Steamboat inspection service	275,747 70	260,548 25	.....	15,199 45
Bureau of Engraving and Printing	544,144 31	286,648 73	.....	257,495 58
Interest on the public debt	51,386,256 47	50,580,679 46	.....	805,577 01
Miscellaneous	3,756,985 81	2,924,915 57	.....	832,040 24
Total	92,959,890 41	88,338,676 14	489,976 92	5,091,191 19
Net decrease for 1886				4,601,214 27

The Public Lands Question and a Defense of the Commissioner of the General Land Office.

SPEECH

OF

HON. THOMAS R. COBB,

OF INDIANA.

IN THE HOUSE OF REPRESENTATIVES.

Monday, June 28, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 9478) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1887, and for other purposes, the pending paragraph being:

"Protecting public lands: For the protection of public lands from illegal and fraudulent entry or appropriation, $90,000"—

Mr. COBB said:

Mr. CHAIRMAN: The public lands question is one of great importance to the whole country. Its importance is not confined to any particular section or locality. Any citizen, or foreigner, who has declared his intention to become such, may go and settle upon any of the unoccupied public domain, and, upon compliance with the provisions of law, which are easy, can acquire a title to 160 acres of land for a home for himself and family.

This is the object and purpose of the homestead, pre-emption, and timber-culture laws. They were enacted in order that people too poor to acquire title by purchase might secure homes.

As to how far the object of these laws has been accomplished, it is now my intention to discuss.

In the early disposition of our public lands but little fraud was committed. The poor man who needed a home, and was not able to purchase one, moved his family to some part of the public domain not previously occupied, made a selection, and then settled down. He then commenced to improve the land so selected, with an honest intent of making it his future home, and he continued to reside upon it and add to the improvements until a strict compliance with the law was had, when he was entitled to a patent from the Government.

In those days there were but few attempts made to acquire title by fraud.

After the war, however, the spirit of speculation began to manifest itself among our people, and capitalists and others turned their attention to the public domain for speculative purposes; and as the laws for acquiring title to the public lands were not enforced by the party in power during the twenty years succeeding the war, the "greed for gain" led men to commit all kinds of fraud in their endeavors to acquire title to the people's lands.

Corporations, syndicates, and all kinds of combinations of individuals were formed, possessing large capital, for the purpose of acquiring, and who did acquire through every conceivable method, the title to large tracts of the best public land in the West. To evade the public land laws these combinations of men and capital have resorted to fraud and perjury in a most notorious manner.

Emboldened by such examples, private individuals have also embarked in the fraudulent acquisition of title to public lands with a zeal for gain, no matter what means are employed, that is astonishing. Indeed the fraudulent acquisition of our public lands seems to be looked upon by many as a legitimate business.

Millions of acres of our best agricultural lands have been absorbed in this way, to say nothing of the vast areas of land granted by Congress to railroads and other corporations. This condition of affairs has continued until it is estimated that we now have only about 7,000,000 of acres of public lands left for settlement for the homeless.

These speculators in the public lands, alarmed lest Congress may "rise in righteous wrath" at their atrocities, keep constantly in their employ an able array of legal talent as well as a subsidized press.

They have able attorneys in this city, and their paid agents can even be found during the sessions of this House in the lobbies endeavoring to influence legislation which may pertain to the interests of their employers.

The present administration has been exercising its power in driving the "cattle-kings" from the public domain, where, under the past administration, they had been allowed to occupy millions of acres of land, preventing the settler from a discharge of his rights under the law by driving him and his family off whenever he might seek to locate.

The Public Lands Commissioner, General Sparks, having had during the present administration the public lands under his control, has, with great credit to himself, exerted extraordinary energy and diligence toward the preservation of the public domain as a heritage for the homeless.

For his loyalty to his duty, the Commissioner now finds himself assailed by every "cattle-king," every "land-grabber," every fraudulent speculator in the public lands throughout the country.

The amendment now offered by the gentleman from Nebraska [Mr. LAIRD] proposes to strike out the $90,000 contained in the bill to be used by the Commissioner in employing agents to protect the public lands from the illegal and fraudulent acts of the rings and speculators, thus effectually rendering the Commissioner powerless to prevent fraud and keep the lands for those for whom it was intended. These agents are sent out to the various sections of the public lands; they go fully instructed and schooled in their duties by the Commissioner. It is one of their duties to examine into and report to the Commissioner all cases of fraudulent entries of land which they may be able to discover, taking the affidavits of witnesses to the facts which they file with their reports.

It has been insisted upon this floor, and I presume it will be done again, that there has been but little fraud, if any, committed in the entry of the public lands, and that therefore these agents are unneces-

sary. I now propose to show that there have been outrageous frauds perpetrated in the acquirement of title to the public lands and that they are now being committed.

In view of this fact I am surprised at the gentleman from Nebraska [Mr. LAIRD] moving to strike out this appropriation, since these frauds exist in his own State and under his notice, and in his own district.

Mr. LAIRD. Will the gentleman from Indiana permit me to ask him a question?

Mr. COBB. My time is limited. If I have any time left after I have finished my statement I will be glad to yield to the gentleman for the purpose he requests.

I propose now to read from the reports of these agents, who were selected not only by the present Commissioner but by his predecessor under the Republican administration—the latter, especially, ought to satisfy my Republican friends on the other side of the House. In connection with these reports are also found the affidavits of witnesses to the statements they contain. In many cases the affidavits of entrymen themselves admit fraud, perjury, and subornation of perjury.

I read now from the report of Inspector A. R. Green, who is a Republican. His report bears date of November 3, 1884. He says:

Generally speaking, I believe that fraudulent entries of the public lands include a large per cent. of the whole number, excepting possibly cash entries.

The idea prevails to an almost universal extent that, because the Government in its generosity has provided for the donation of the public domain to its citizens, a strict compliance with the conditions imposed is not essential. Men who would scorn to commit a dishonest act toward an individual, though he were a total stranger, eagerly listen to every scheme for evading the letter and spirit of the settlement laws, and in a majority of instances, I believe, avail themselves of them.

Our land officers partake of this feeling in many instances, and if they do not corruptly connive at fraudulent entries, modify their instructions and exceed their discretionary powers in examinations of final proof. This is especially the case with entries under the timber-culture law.

* * * * * * *

I have traveled over hundreds of miles of land in Western Kansas, Nebraska, and central Dakota, nearly one-fourth of which had been taken under the "timber-culture act," without seeing an artificial grove even in incipiency, and can scarcely recall an instance in any one day's travel where the ground had been more than scratched with the plow for the purpose of planting trees.

* * * * * * *

As to the proportion of land entered under the timber-culture act that is not improved as required by that act, I give it as my opinion that in Kansas, Nebraska, and Dakota the proportion is 90 per cent. to 10 per cent. of *bona fide* and possibly successful cultivation.

* * * * * * *

A more vicious system of fraudulent entries has been successfully practiced by and in the interest of cattle-men and stock corporations. If the law had been enacted solely for their benefit it could scarcely have been more successful.

I have been told that entrymen engaged in this character of frauds seldom make a pretense of plowing or planting trees, or complying in any particular with the law. My own observation confirms this statement, and I believe it to be true. This is largely the case in Colorado, Dakota, Montana, Nebraska, and New Mexico, where immense stock ranches have been established and all the valuable grass land and water has been secured. This system also obtains to no inconsiderable extent in Kansas, I believe.

The method is simple, effective, and infamous.

I have had occasion to inquire into its details somewhat in the examination of land offices in connection with charges of collusion on the part of the officers.

A "cattle-king" employs a number of men as herders; "cowboys" is the popular designation for them. The herd is located on a favorable portion of the public lands, where grass, water, and shelter are convenient, and each herder is expected and required to make a timber-culture entry of lands along the stream. These entries often very nearly if not quite occupy all the watered lands in a township and render the remainder undesirable for actual settlement or farming purposes.

Thus an entire township, and frequently a number of townships together, are dominated by an interest the most inimical possible to ordinary agricultural operations and a development of the country. If a *bona fide* settler has located in advance of the cattle-man he is either bought off or scared off. I found one case where the evidence showed conclusively that *bona fide* entrymen had been driven from the lands they desired to acquire by a party of men brought from a distant part of the State, who did not know the description of the lands they filed on until it was furnished by the man in whose interest the lands were being taken, and who furnished the money for the entry fees.

As regards the unlawful fencing of public lands, the evidence is of the most positive and convincing character. It is notorious that extensive inclosures of this kind have been made in Nebraska in the vicinity of North Platte, and south of there at inconsiderable intervals all the way to and into the Indian Territory, including large areas of the States of Nebraska, Colorado, and Kansas. There are doubtless other similar unlawful inclosures, but I speak of those with which I am familiar.

These inclosures occasionally included settlements, and the stock companies have in some instances bought the settlers' improvements and amicably induced them to leave. In other cases, bloody feuds have been originated, of which there could be but one result, and that against law and justice.

The effect of such domination upon immigration and settlements is the worst that can be imagined.

The best lands, and practically all the waters, are controlled by men who have no interest in the development of the country, evade taxation, and in many cases owe no allegiance to our laws and Government. They have abundant physical power always at hand to enforce their schemes of spoliation and set the local authorities and people at defiance.

Settlers avoid such localities as they would districts stricken with a plague, and the tide of immigration turns back to publish and magnify the evil.

I now read from the report of Special Agent Webster Eaton, dated Duluth, Minn., October 28, 1884:

Thus it will be seen that there have been over four thousand three hundred final entries of this kind made, to say nothing about the cash entries and entries at public sale; and I know that there are less than one hundred actual settlers living upon any of these lands in this land district who make a living by farming, or who are trying to make a living in that way, and although I have made diligent inquiry during my stay of over one year in this place I have yet to find one person who is making a farm or trying to make a farm upon a pre-emption claim. Therefore I think I am fully warranted in saying that less than one-thirtieth of the claims taken in the Duluth United States land district are taken for actual settlement.

Less than one-tenth of the land entered in this way is now in the hands of the original claimants, and most of it is considered worth less than 10 cents an acre for agricultural purposes, and after the timber is taken off the land is looked upon as worthless, and men are not plenty who will pay the taxes upon this land for it. Nearly all of the land taken in this manner has been taken for extensive lumber firms in different parts of the State.

This shows the fraud committed under the pre-emption law upon the timbered land in Northern Minnesota. The timber in this region is pine, and it is a fact that lumber companies have obtained and acquired title to large bodies of these lands through fraudulent entries. I demonstrated how this was done in my report made to the House in favor of the bill repealing the pre-emption, timber-culture, and desert-land laws, which passed the House on a full vote by more than four to one. I then said:

Whole townships of the public domain have been acquired under this law by capitalists who do not reside within hundreds of miles of the land, and never did. They have secured them through paid agents in their employ, who receive so much for their services when they make the proof necessary to entitle them to a patent from the Government, and assign their claims to their employers. This is done, of course, through perjury and subornation of perjury. For each one of these agents or claimants is required to make settlement on the pre-emption claim under the law, and he must make oath before the register or receiver of the land district in which the lands are situate, on which he claims to have settled for the purpose of pre-empting, and that he has never had the benefit of any right of pre-emption; that he has not settled upon and improved such land to sell the same on speculation, but in good faith, to appropriate it to his own exclusive use, and that he has not directly or indirectly made any agreement or contract in any way or manner with any person whatsoever by which the title which he might acquire from the Government of the United States should inure in whole or in part to the benefit of any person except himself. And yet it is well known that this oath is daily taken by parties who make it under contracts such as we have indicated above. They file with the register of the proper land district their declaration, make their proof, affidavit, and payment required by the law, and receive their title, and transfer the same to the parties with whom they made the contract before they attempted to make the pre-emption.

The people demand the passage of this bill repealing these odorous laws under which so much fraud has been committed, and those who stand in the way of this repeal will be held accountable by the country.

Mr. Thomas W. Jaycox, special agent at Aberdeen, Dak., in his report of October 25, 1884, says:

In my opinion, not more than 30 per cent. of the land in this district entered under the provisions of the pre-emption and homestead laws is occupied by actual settlers. The practice largely prevails of immediately abandoning the land when cash entry is made for the same. Fully 75 per cent. of the entries made under the provisions of the pre-emption laws are made for speculative purposes, and not for a home and for cultivation. The claimants mortgage their claims for as large a loan as they can procure upon the land, then make a homestead filing, move in town, return to the East, where they came from when they entered the land, or offer the same for sale, when it is purchased by non-resident speculators. The result in either case is the same—the land is left unoccupied.

I am of the opinion that 90 per cent. of the entries that are made under the provisions of the timber-culture act are made purely and simply for speculation. The entryman when he makes the entry intends to relinquish the land at the end of three years at the farthest, when the relinquishment will be worth from $200 to $500. I am of the opinion that very few timber-culture entries will be proved up under the provisions of the timber-culture act. They will be turned into pre-emptions or homesteads, and pass out of the hands of the speculators as soon as it becomes troublesome to comply with the law.

William Y. Drew, agent at Wichita, Kans., says, in his report of November 26, 1884, that—

In some cases stock-raisers have had their employés prove up on lands on which their stock was ranging, and as fast as one batch would get through another batch would be employed, and in that way quite a large amount of the public land would be gobbled up. In some cases that have come under my observation the parties who it is claimed proved up on the land were never known or heard of in the vicinity, but the improvements made on the land have been done by parties who afterward obtained the land, and presumably hired the entryman just at the time proof was to be made to make the required affidavits. In other cases I believe that the entryman was a myth, and that the proof papers and deeds of the land were made out in the notary's office, fictitious names attached for both principal and witnesses, and acknowledgments taken by the notary as though the parties had actually been present.

There are other cases where parties made a business of proving up lands under different names, apparently for the purpose of obtaining from $50 to $100 by mortgage more than the land cost them.

Some parties have fenced in large bodies of the public lands through which a water course is flowing, and by themselves and their employés have proved up the land adjoining the water course. They claim not to interfere with settlers going into the inclosures, but as their cattle are running at large inside the settler can not raise a crop without he goes to the trouble and expense of fencing in the tract he claims, and then there is always more or less trouble in other ways between the settlers and herders in regard to keeping gates closed and getting settlers' cattle mixed with the cattle belonging to the stockmen. It is reported that two men (father and son) were killed in Barber County by herders on account of leaving the gates open while going to land they were claiming inside the inclosure.

A. F. Ely, in his report from Pueblo, Colo., October 25, 1884, says:

As to the land entered in the Pueblo land district of Colorado, I have not sufficient knowledge or information to enable me to give any correct information. I can state that in the survey of the Arkansas Land and Cattle Company's inclosure we found no inhabitants inside of it except one or two near Granada and three or four near Holly Station, and this inclosure contains over 600,000 acres of land, and, as I am informed, all of the water privileges in it have been pre-empted.

W. H. Goucher, agent, San Francisco, Cal., says in his report of November 17, 1884:

I would estimate that but 5 per cent. of the entries made under the timber-culture and desert-land laws are in good faith and with the intent of accomplishing the purposes contemplated in those acts. Ninety per cent. of all the entries under these laws made in this district were filed within the past two years. As the requirements of the laws during such period are preliminary to the object intended, especially as to the timber-culture act, no estimate can be made as to the proportion of such entries as are really improved by planting

and cultivating trees. My estimate of 5 per cent. is based on the number of entries that are relinquished and the general tone of the settlers from conversations, &c.

As a rule, it is safe to assume that the entries made under the desert-land law in the Los Angeles district are for the purposes of speculation, for the reason, as I have before stated, that owing to prior appropriation of the water it would be almost impossible to procure the necessary water to reclaim such lands, even if the entryman was honest in his intentions. During the year 1877, shortly after the passage of this act, a large number of desert entries were made in this district of which not 2 per cent. have been reclaimed, as contemplated in the act.

T. H. Cavenaugh, Olympia, Wash., says in his report dated November 8, 1884, in regard to the condition of thepublic land question in that Territory, that—

I am convinced, from examination and investigation, that 90 per cent. of the homestead and pre-emption entries made within the territory named herein are made solely for the timber growing thereon, and because such lands are ready sale. By making use of the pre-emption and homestead laws the entrymen save in purchase of tract the difference between $2.50 and $1.25 per acre, which swells the profits when sold.

The fraudulent methods of obtaining title to the public domain have not been confined entirely to our own people.

The manner in which many of these titles have been acquired has gone abroad and foreign capitalists, through their agents in this country, have acquired title to more than 20,000,000 of acres of our public land, much of which has been effected by means of the grossest frauds.

In order to show the methods used by foreigners in acquiring title, I will refer to the Estis Park cases in Colorado. There a large quantity of the public domain, amounting to several thousand acres, was fraudulently entered at the instance of the agents of the Earl of Dunraven, and the Commissioner states that not a witness was produced on the day of hearing to sustain the entries, and that the affidavits of numerous citizens of that locality were overwhelming in character against the entries.

But it is said by those who would see these frauds continue, that the reports from which I have read were made over two years ago, and that the frauds therein cited do not exist now. To prove the fallacy of this assertion I refer to a letter written by the Commissioner of the General Land Office on the 19th of June, 1886, in which he says:

In many cases the agent furnishes the affidavits of the claimants themselves, in which they swear to their own and their associates' illegal and fraudulent acts. One agent alone within the last four or five months has transmitted to this office the affidavits of entrymen in eighty-three cases in which they admit that they never saw the lands and that they were hired by the agents of the speculators to make the entries.

And the same letter contains another very important statement. It is as follows:

It will be seen that out of the 2,501 cases reported and examined 2,223 have been shown to be fraudulent. Of the 368 suspended cases a large proportion have also been shown to be of such character as to require further investigation

The foregoing does not include many hundreds of cases where entries have been canceled for fraud developed in contest proceedings between private individuals.

And this shows also the great amount of labor which is being done by the General Land Office.

It is unnecessary for me to read further. The reports are all on file in the General Land Office with hundreds of others, together with the affidavits of witnesses substantiating all I have said in reference to fraudulent land entries. That these things have been done there is no question; that men have perjured their souls and led others to do so in their endeavors to acquire wealth by robbing the people is equally indisputable.

The bitter attack made the other day by the gentleman from Nebraska [Mr. LAIRD] on the Commissioner of the General Land Office was totally uncalled for. In his remarks on that occasion the gentleman made use of the following:

The Land Commissioner is running a vendetta against the best interests of all the territory beyond the Missouri River. * * * He is backed by a band of hireling spies, and is trying to unsettle the land and titles of half the continent and drive the peaceful possessors of the soil, supposed to be the common heritage of the people, forth from their homes, to the end that he may pose as a reformer and drink the paid flattery of his gang of spotters, spies, and poisoners of the tenures of the settlers of the West.

This is very strong language to use against an officer of the Government, and especially should not have been used unless the facts in the case clearly substantiate and confirm the charges. In justification of the Commissioner I freely assert that he has done nothing in the administration of his office which in any way makes room for such an invective or rather abusive tirade as was directed toward the Commissioner by the gentleman from Nebraska.

I think there must have been some peculiar reason, some hidden motive resting in the mind of the gentleman from Nebraska which encouraged him to hurl such "dire and dreadful thunderbolts" at the Commissioner of the General Land Office. Filled with admiration, possibly, at his great fluency in command of language on that occasion, the gentleman to-day has treated us again with an entertainment of a somewhat similar character.

I now request the attention of the House, and especially the gentleman from Nebraska [Mr. LAIRD], to what I am about to say, for I think I can in some degree explain why the gentleman has assumed his very aggressive attitude. The gentleman in his remarks to-day read a letter or petition setting forth the imaginary grievances which the writer thinks might befall the people of the McCook land district, which lays in the district represented by the gentleman from Nebraska, by reason of the orders and rulings of the Commissioner of the Land Office; and also in his remarks the gentleman from Nebraska took occasion to say that there had never been any frauds committed in his district against the public-land laws.

I have here the reports of two special agents who were sent into the McCook land district at different times by Mr. McFarland, a former Commissioner of the Land Office, with instructions to examine into some cases arising out of entries made at that office and to report as to whether there was any fraud connected with them. In connection with the reports I have also the affidavits of witnesses. I do not care to take up the time of the House to read the evidence, but will read a carefully prepared summary of the whole:

It appears from evidence on file that on or about the 12th of June, 1883, Hon. JAMES LAIRD and one Kelley visited the country along the Stinking Water Creek, in Nebraska, in company with a surveyor and had fifteen or twenty tracts, containing 160 acres each of Government lands, located by survey with a view to entry. The tracts referred to embrace all the water in that vicinity and thereby control the range over a large body of public land.

The party returned to McCook after completing the survey and furnished a description of the lands to one Galen Baldwin, who thereafter acted as the agent for a party of men who were from that time known and designated as the "Laird outfit" or "Hastings party." One Hulbert claimed to have first hired the same surveyor to locate the lands for himself and friends and procured a plat from him describing each tract. The plat, however, was afterward ascertained to be incorrect. The surveyor, however, appears to have furnished a correct plat to the "Laird outfit."

On the morning of June 15, 1883, Hulbert and his associates went to the land office and asked the register the privilege of examining the official plats, which request was denied for the reason that they were not subject to inspection until 9 o'clock, the hour for opening the office for business. They also notified said officer that they wanted to make entries and asked to be advised so that they could get in their applications as soon as the office was opened for business. They stationed themselves at the most convenient position for that purpose and shortly afterward Hulbert tendered his application, which was rejected because, as alleged by the register, it lacked five minutes of 9 o'clock by the office clock, although it appears to have been that hour by the railroad time.

It was observed that twelve or thirteen men, headed by their attorney, one Strobuck, were also in the land office waiting to make entries. Strobuck had previously been seen examining the official plats, although this privilege was denied Hulbert.

Shortly after the rejection of Hulbert's application, as above stated, Strobuck offered the homestead application of one of his clients and it was at once received and allowed. He then presented homestead applications for his other clients, one after another, and they were all allowed. The men were sworn in in a body and were called for that purpose from the outside of the crowd.

In the mean time Hulbert was insisting he was the first applicant and urging the allowance of his entry, but he was told by the register to keep still, and his application was not received until all of Strobuck's clients had procured their entries. One of these men was a brother of James Laird, and they were all from Hastings, Nebr., which is about 100 miles east of McCook, and 200 miles east of the lands in question, and they were known and designated as "Laird's outfit," or "Hastings's party."

The description of the lands were evidently obtained through JAMES LAIRD who had previously had them surveyed and the parties acted in concert with each other and filed their applications for lands they had never seen. Several of these men also made timber-culture entries of lands in the same vicinity. The parties were business men of Hastings, the home of JAMES LAIRD, and vicinity, and were well known to the register. Among them was a cashier and large stockholder in a bank, a loan agent, two or three merchants, and as many intelligent clerks.

The whole proceeding at the local office was treated by the claimants as a huge joke; one inquiring of his companion where the land was; another said, "damn the land; I don't ever expect to see it."

Mr. LAIRD. Will you allow me to say something about that?

Mr. COBB. Yes, sir. I am reading from the report. I am not saying whether it is true or false.

Mr. LAIRD. You are reading from the report of a liar in the employ of your commission.

Mr. COBB. I am simply reading a summary of the report. I am not saying whether it is true or false, as I have already stated. I am neither indorsing its truth nor denying it. The affidavits are on file, proving these facts, affidavits of men whose good character I presume the gentleman from Nebraska will not deny.

I proceed with this summary:

These facts are shown by Inspector Green's report and affidavit accompanying the same. Green says that "I have no doubt that the register and receiver were aware of the fraudulent nature of these entries; but whether they permitted them through a desire to accommodate an influential political friend (meaning JAMES LAIRD) or because they were in some manner the beneficiaries I do not know; but I am satisfied it was not through ignorance of their duties in the case."

This is the evidence taken by Green, backed by Agent Coburn, both being sent out, as I have already stated, by Commissioner McFarland to investigate the facts.

Mr. TOWNSHEND. What are Coburn's politics?

Mr. COBB. Republican. They were both Republicans. I read further from the summary of the evidence:

Special Agent Coburn, who also investigated the cases, says that "it is a matter beyond question that such a friend as is before alluded to had taken a warm interest in the Hastings party." The "friend" before alluded to was clearly JAMES LAIRD, and he is described "as an influential political friend of the local officers." They were recommended for appointment to their respective positions by Mr. LAIRD, and he is shown by his letters on file to have taken a very warm interest in them as well as in the "Hastings party." He also made a strenuous effort to have Green removed after he made his report. Both Green and Coburn were Republicans and made their reports to their superior officers, who were also Republicans.

Mr. LAIRD. That is a falsehood; and your statement that there is such a letter of mine on file is a falsehood.

Mr. COBB. I did not say that.

Mr. LAIRD. The statement in that report is that there is a letter of mine on file.

Mr. COBB. I did not say so.

Mr. LAIRD. But the report says it.

Mr. COBB. Well, the proof shows it.

Mr. LAIRD. I beg pardon, the proof does not show it.

Mr. COBB. Well, you and the proof seem to differ. I am not going to have any controversy about it myself.

Mr. LAIRD. Well, it is a falsehood. I never said a word about it one way or the other.

Mr. COBB. Well, the proof shows it.

Mr. LAIRD. The proof does not show it.

Mr. COBB. It does.

Mr. LAIRD. It does not.

Mr. COBB. Well, it does not make any difference to me whether you deny it or not. I now proceed with the summary:

The "Laird outfit" commuted their homestead to cash upon proof showing continuous residence on the lands and valuable improvements, they being witnesses for each other in their final proofs.

Does the gentleman deny that?

Mr. LAIRD. It may be supposed that I know something of what I am talking about.

Mr. COBB. I don't care what you know. The evidence is on file. I do not wish the gentleman to interrupt me. There is enough evidence on file to satisfy him if he will read it, and if he has not read it he had better not be talking about the honesty and integrity of other people. I proceed with the evidence.

Hearings were afterward ordered and had for the purpose of determining the facts as to the invalidity of the entries. The evidence submitted shows that the claimants were residents of and engaged in business at Hastings and personally attended to their business during their alleged residence on the claims; that their improvements were of little or no value, and were made by Galen Baldwin above referred to; that they never lived on the land, and that the entries were made for the purpose of controlling the water rights and cattle range in that vicinity and with no intention of acquiring homes.

Does the gentleman deny that? If he does the proof is overwhelming against him?

Mr. LAIRD. You will hear what the gentleman denies when he gets the floor.

Mr. COBB [reading]:

It appears in brief from all the evidence that JAMES LAIRD was the instigator of and leader in this great fraud; that the lands were surveyed under his direction; that at the opportune moment, and evidently in pursuance to a preconcerted plan, his brother and other friends were at the local office acting through a common agent in a scheme to enter the lands he had selected; that the local officers, who were appointed on his recommendation used their official positions to advance the scheme and to give them the prior right over others who had the better right, and that the same officers afterward allowed the final entries solely upon testimony of the parties themselves, when they must have known that such testimony was false.

It was a bold fraud attempted to be accomplished through political influence over the Government officers and without any pretense of compliance with law.

The entries made by the parties from Hastings on the day of the opening of the office at McCook are believed to be as follows, namely:

HOMESTEAD ENTRIES.

No. 3. Harry E. Randall, SW. ¼ sec. 1, T. 6 N., R. 36 W.
No. 5. August Schmidt, SE. ¼ NW. ¼ and NE. ¼ SW. ¼ and lots 2 and 3, 31, 7 N., 36 W.
No. 6. James B. Wallace, E. ½ SE. ¼, 3, and S. ½, SW. ¼, 2, 6 N., 36 W.
No. 8. John H. Clark, E. ½ NE. ¼ and E. ½ SE. ¼, 35, 7 N., 36 W.
No. 9. John G. Ballard, SE. ¼, 32, 7 N., 36 W.
No. 10. Arthur Williams, S. ½ SE. ¼, 2, and E. ½ NE. ¼, 11, 6 N., 36 W.
No. 11. W. F. Schultheiss, NE. ¼, 12, 6 N., 36 W.
No. 12. Alonzo W. Laird, NW. ¼, 12, 6 N., 36 W.
No. 13. Hans M. Oliver, S. ½ NW. ¼ and lots 3 and 4, 3, 6 N., 36 W.
No. 14. O. H. McNeill, S. ½ NW. ¼ and lots 3 and 4, 1, 6 N., 36 W.
No. 15. Frank Stine, lots 3 and 4, sec. 4; lots 1 and 2, sec. 5, 6 N., 36 W.

TIMBER-CULTURE ENTRIES.

No. 8. Abraham Yeasel, S. ½ NE. ¼ and lots 1 and 2, sec. 4, 6 N., 36 W.
No. 9. Alonzo W. Laird, SW. ¼ 32, 7 N., 36 W.
No. 10. Hans M. Oliver, W. ½ SE. ¼ and E. ½ SW. ¼ 3, 6 N., 36 W.
No. 11. Simon Kelley, SE. ¼ 32, 7 N., 36 W.
All of the above entries dated June 15, 1883.
Of the homestead entries the following have been commuted to cash, namely:

CASH ENTRY.

No. 237. Alonzo W. Laird, February 6, 1884.
No. 238. John H. Clark, February 6, 1884.
No. 255. O. H. McNeil, February 19, 1884.
No. 290. August Schmidt, March 11, 1884.
No. 291. James B. Wallace, March 11, 1884.
No. 440. Hans M. Oliver, May 27, 1884.
No. 441. Arthur Williams, May 27, 1884.
No. 442. W. F. Schultheiss, May 27, 1884.

Upon reference to the plats it will be seen that the tracts lie along the banks of the stream known as the "Stinking Water" for several miles.

It is hardly necessary to remind the House at this late day that in that region these valleys are the favorite points of the stockmen, and the lands are coveted for the water which they afford and for the reason that their possession renders the adjoining sand hills and plateaus useless to others, and thus secures an ample range without cost. The Commissioner, Mr. Sparks, has decided against these entries, and this accounts for the opposition against him of the gentleman from Nebraska [Mr. LAIRD].

The gentleman from Nebraska also read an article from the Omaha Herald which criticised Commissioner Sparks.

Without desiring in any way to imitate the gentleman from Nebraska, I find it quite seasonable to also read you quite an interesting little article which has considerable bearing upon what I have been referring to. It happens to be a clipping from the same newspaper referred to by the gentleman from Nebraska—the Omaha Herald. I also will add a short clipping from the Omaha Bee.

I read as follows:

CLEANING THE AUGEAN STABLES.

Seven or eight months ago the Herald printed a very complete *exposé* of the pre-emption methods of Mr. JAMES LAIRD (member of Congress by the grace of Republican voters) in the Stinking Water district.

This week Commissioner Sparks ordered the cancellation of the fraudulent claims.

The world moves. The Stinking Water having been purified, ho for the slaughter-house!

To the above all honest men, irrespective of party prejudice, must say amen. It was a corrupt effort on the part of the cattle-kings and land-grabbers' syndicates to gobble up the best of Uncle Sam's domain, inasmuch as they covered with fraudulent entries the most valuable, the water-laved lands of the district. That the claims were based on fraud even the land officers must have known, as well the day the entries were made as they do to-day, upon their cancellation, the difference being that under Republican rule it was impossible for an honest settler to get a fair and impartial hearing, while the Democratic administration gives to each and every honest homesteader the full protection to which he is entitled.

[From the Omaha Bee.]

"The cancellation of Mr. JAMES LAIRD's Stinking Water claims is an 'old settler' from Sparkville."

I deem comment unnecessary upon the newspaper articles which I have just read. Coming from the gentleman's own State, I am inclined to believe that some importance and credit should be given them.

According to the gentleman's own statement there was fraud intended in the Stinking Water entries, for he indicates that there was a struggle between the Laird party and the Hulbert party as to which might be the first to make the entries and "gobble up" this land along the Stinking Water for some 12 or 13 miles in the gentleman's district. He says that it was a race between rascals, and I quite agree with him.

Mr. LAIRD. Will the gentleman from Indiana allow me to correct him just there?

Mr. COBB. I am only giving the gentleman's own statement.

Mr. LAIRD. I trust, Mr. Chairman, that neither the gentleman from Indiana nor any other gentleman on this floor will undertake to denounce me or the men who are spoken of here as rascals. They are as clean and honorable as you can produce here or elsewhere——

Mr. COBB. Be careful; do not make any charges.

Mr. LAIRD. The gentleman need not undertake to threaten me.

Mr. COBB proceeded:

This is what the proof shows. The Commissioner seems to have been quite careful in investigating the case. He sent Agent Green, who seems to have fully investigated it and made report July 6, 1883. Afterward Agent Coburn was sent out. His investigation fully supported Green's report. He reported October 13, 1883.

Mr. LAIRD then addressed the House, and

Mr. COBB replied as follows:

Mr. Chairman, in stating this case a few minutes ago when occupying the attention of the House I stated that I knew nothing personally of the facts and would only state what the evidence shows which is on file in the General Land Office. I have done so, and it seems to have annoyed the gentleman. Whether these gentlemen who made these fraudulent entries are honest men or not, as asserted by him, I will not now discuss. I have presented the record, which speaks for itself.

Mr. LAIRD again interrupted.

Mr. COBB. I did not make any threats against you and you must not make any against me.

Mr. LAIRD. I am not going to make any charges that I can not sustain. The gentleman does not frighten me.

Mr. COBB. The gentleman does not frighten me either, but he must be careful in his statements.

Mr. LAIRD. Then don't you make any unfounded accusations.

Mr. COBB. I have not made any charges, founded or unfounded. I have confined myself strictly to the facts as proven.

Mr. LAIRD. I hope the gentleman will do so.

Mr. COBB. Then I hope the gentleman will permit me to proceed without further interruption. I shall attempt to do the gentleman full justice.

Notwithstanding the data I have presented, which strikes me as being extremely strong and conclusive, the gentleman denies that there is fraud in the entry of the public lands and has the boldness to denounce the Commissioner, when it is evident that it is going on in his own State and in his own district, and even he himself stands charged with being implicated in the committal of these very frauds.

A system of fraud is constantly going on wherever public lands are to be found. The Commissioner informs us that such is the case and his statements are substantiated by the reports of the special agents engaged in the detection of fraud and finally by thousands of letters from the honest citizen who resides in the vicinities of these appalling infringements on the rights of the people, and yet the gentleman says it

is not right and proper to make an appropriation of money so that the Commissioner may employ aid to assist him in the enforcement of the law. I deem it extremely expedient that this appropriation be made and that this House should sustain the Commissioner who is making such splendid efforts in preventing the spoliation of the people's property.

I now desire to call the attention of the House to another case. I read in the RECORD of June 25 a letter which Senator PLUMB, chairman of the Committee on the Public Lands of the Senate, read and commented upon. It is as follows:

"[W. S. Tallant, clerk of district court, Nelson County.]

"LAKOTA, DAK., *June* 18, 1886."

After a little introductory paragraph, which it is not necessary to read, the writer says:

"The special agents of the Land Office have been causing almost every settler here trouble and expense, which they can not afford, and not doing the Government any good. Now, I speak from personal knowledge when I say that I do not think that any part of the public domain has ever been proved up with better intent and a better compliance with the laws. Yet we are told that ninety-nine out of every hundred proofs made will be canceled.

"I can cite you my own case for one. I made a homestead entry on June 26, 1884, and moved on the land June 27, 1884, and made proof in October, 1885"—

Procured evidently in that case under what is called the commutation clause of the homestead law, which provides that a person who has made an entry under the homestead law may change his entry to a pre-emption entry at any time after six months, and instead of getting the land for nothing, as he otherwise would at the expiration of five years, by paying a dollar and a quarter an acre for it, getting a final-entry certificate at the time he makes his payment and his proofs—

"having when I proved up 40 acres broken and cropped, and a good house thereon. Since that date I have built a barn that will cost me about $500 and have had the whole claim broken up and gotten ready for crop next year. I also have another claim which joins my homestead on the west, giving me 320 acres, all of which is now broken up and ready for crop, out of which I have in crop on the land this year about 170 acres, and have buildings on the land that altogether cost me nearly $2,000. Every cent that I have made for the last three years has gone on the place, and I have refused at least half a dozen offers to sell at good figures.

"Now at this late day comes a special agent and says that he has reported my homestead for cancellation for the reason that I am not now living on the land.

"But I am keeping men there to work the place for me, and it is the only land that I own in the world, and I have had to undergo great hardships to get these claims and have acted in every way in good faith and intent.

"Yours, &c.,

"W. S. TALLANT."

This letter is calculated to play upon the sympathy of those who read without a knowledge of the facts. Doubtless the Senate was very much grieved when this letter was read, and I must confess that my sympathy was ready to go out toward the writer. On inquiry, however, I discovered that this man, Walter S. Tallant, was clerk of Nelson County, Dakota, land attorney and notary public, and resided in Lakota, said county, &c. The record shows that he stands charged with subornation of perjury and of willfully procuring the making of pre-emption cash entries which are fraudulent as shown by the subsequent affidavits of the entrymen themselves and other evidence now on file in the General Land Office. The examination of the case has not been entirely completed, but enough has been disclosed to satisfy our curiosity.

The disclosures are as follows: The filings made by the entrymen who testify against Tallant were made in township 151 north, range 62 west, adjoining the eastern boundary of the Devil's Lake Indian reservation and in the Grand Forks land district. Cash entries Nos. 10300, 10078, 10086, 11239, 10141, 10442, 10309, as made by Florence L. Waite, James H. Andrews, Frank M. Payton, George W. Price, William L. Bailey, John Hofer, and Joseph Hofer. It is disclosed by the individual affidavits of these parties, filed in connection with the reports of Special Agent Travis Rhodes, that they made their entries in the interest of Tallant, either personally or who was acting as the agent of William Tallant, of Chicago, and others. The pre-emption cash entries Nos. 10146, 10130, and 10308, as made by Walter S. Tallant, William Tallant, and John Olsson, and also homestead entry No. 8515, all have been investigated, and the summary of the evidence in the cases discloses the fact that said Walter S. Tallant not only engaged in the promotion of fraud but was, as well, guilty of unprofessional conduct respectively as attorney, clerk of the court, and as notary public.

Such is the character of some of the persons who are assailing Commissioner Sparks. I believe that the great body of the complaints made come from such individuals as Tallant, because they are aware that the Commissioner is endeavoring to frustrate their attempts to acquire title in opposition to law. Many more cases such as I have illustrated can be had, but I think the cases cited are sufficient to show the expediency of this appropriation.

I have here also letters from citizens living in every State and Territory where any public land may be found, which cordially indorse the course of Commissioner Sparks.

Living in the locality of the alleged fraud, and knowing directly whereof they speak, their utterances have a peculiar significance which can not be descried.

I hold in my hand more than four hundred letters, all indorsing the Commissioner. I have nineteen from the gentleman's [Mr. LAIRD's] own State, but I will not take the time to read them. I will first read a letter from a distinguished Republican of Illinois, whose long and honored public life entitles him to the highest credit, after which I will submit a few others:

SPARKS INDORSED—HON. E. B. WASHBURNE COMMENDS HIM FOR AN HONEST, FAITHFUL, AND EFFICIENT OFFICER.

The Chicago Tribune of January 28 prints the following:

CHICAGO, *January* 27.

EDITOR TRIBUNE:

I see that Hon. William A. J. Sparks, Commissioner of the Land Office at Washington, is the subject of many violent attacks by certain newspapers as well as by stipendiaries of the land-grant railroads. I have no personal acquaintance with Mr. Sparks, and have never seen him, and we are as far apart politically as it is possible for any two men to be. But I desire to say that in all that I have read in respect to his administration of the General Land Office I see nothing which justifies the attacks which have been made upon him, so far as I can judge. In respect to his decisions, they are substantially just and in accordance with law.

If persons affected by such decisions are dissatisfied, it would be far better for them to exercise their right of appeal to have such decisions reviewed than to be assailing the Commissioner through the newspapers. They can be heard, if they are dissatisfied, before the Secretary of the Interior, Mr. Lamar, whom I have known since some years previous to the breaking out of the war as a member of Congress from Mississippi and a member of the Committee of Commerce of the House of Representatives, of which I was the chairman; and I can state that he is not only a very able man, but a very just and conscientious man, who can be trusted in any matter of appeal that may come before him. And then on law questions the opinion of the Attorney-General could be had, who is an able lawyer and, I believe, an honest man.

The General Land Office for the past fifteen or twenty years has, according to my judgment, been the most corrupt Department that ever existed in any government on the face of the earth. For years and years the land-jobbers and the land-grabbers seemed to have had full sway there, and it is quite time they were rooted out; and I am glad to find that an Illinois man like Mr. Sparks has had the courage to attack these stupendous abuses and to attempt to recover for the benefit of the people at large some portion of the public lands which had been obtained from the Government by the railroad companies. I hope that his hands may be strengthened and that he will continue in the course which he has laid out for himself. Some say that a pressure has been made upon the President and upon the Secretary of the Interior, Mr. Lamar, and that it will be necessary for him to be removed. It is impossible to believe that such can be the case; that an honest, faithful, and incorruptible public officer should be hounded out of his place by the men whose action he has exposed and who is making such laudable efforts, as I think he is, to get back for the Government hundreds of millions of acres of acres of public lands which have been literally filched from it by the land-grant railroads.

In respect to these railroad grants Mr. Sparks seems to be traveling in the same direction with Judge PAYSON, the able Republican Representative from this State, who is making a reputation before the country for the energetic action he has taken in the House of Representatives to get back for the benefit of the settlers and for the public generally a portion of the lands which the railroads have grabbed through the connivance and corruption of the General Land Office. Mr. Sparks deserves to be commended for his actions rather than denounced, and, for one, I wish to bear toward him, as well as toward Judge PAYSON, my sincere thanks for the course which they have taken.

E. B. WASHBURNE.

This letter needs no comment; it is strong and to the point.

I now read a letter from Dakota:

FOREST CITY, DAK., *February* 19, 1886.

DEAR SIR: I thought I would write you giving you some idea of the sentiment of the people here.

I have been a Republican ever since that party was organized and thought that when Mr. Cleveland was elected our country was near ruined, but I now think different, and I think your honest and manly course has done a great deal to change public sentiment. All honest settlers are on your side, but land-grabbers are down on you to a man, regardless of politics.

* * * * * * *

J. P. PETERS.

Mr. SPARKS.

I also submit the following:

TOBIAS, NEBR., *February* 17, 1886.

FRIEND SPARKS: Having recently returned from a trip through the western part of this State, and having at one time been employed in surveying with a party of Government surveyors in Dakota, and having taken a special course in surveying while at college, I took especial pains to investigate the public surveys here concerning which there has been so much said of late, and I find the charges of fraud are only too true. And in my opinion the office of surveyor-general in this State should not be abolished. I also took occasion to inquire as to the opinion prevailing in regard to your recent rulings, and find that every honest homesteader is well satisfied and fully upholds you in your endeavors to prevent fraud.

Yours, truly,

O. W. HENDEE.

I also submit the following letter:

LINCOLN, NEBR., *May* 22, 1886.

DEAR SIR: Allow a stranger (and Republican at that), one that has traveled all over the States and Territories and has lived in the Territories most of the time for the last four years, to say that you have the good-will and patronage of all law loving and abiding citizens of the West for the course adopted and pursued by you to date. And you have my especial esteem and regards, for only those that have lived, traveled, &c., in the West can know anything about the frauds that are perpetrated under the cloak of honest homesteaders, &c.

Yours, very respectfully,

E. N. PATTERSON.

P. S. I do not expect a good word for this for any purpose, though I believe there are new land offices being created in State.

To Hon. J. C. SPARKS,
United States Land Commissioner, Washington, D. C.

CUSTER COUNTY, NEBRASKA.

SIR: I take this opportunity to inform you that there is a large scope of country here held by cattle-men. Claims similar to this they will give $150 to a young man for his claim and do all the work, build his house, pay the money, furnish proof to prove up. He goes on, digs a little in the side of a hill, covers it with a few poles and hay and a little dirt, and digs a well. Sometimes the well is on the quarter taken; sometimes one well answers for two claims. The most of this township is held in this way: this is township 13, range 20, Custer County, Nebraska.

There are several families coming out here this spring—they will want a farm. It keeps the country back. We can not have schools unless it is settled up, we are so far apart. What is a timber claim worth where a man takes a claim and sells timber off it for seven or nine dollars a tree. There are some of them. This wants to be looked after. This is a good farming country; it is a little rough, but there is not a quarter that a man can not make a living off of. If a man takes a claim they beat him out of it in some way.

* * * * * * *

G. W. GEOFFREY.

Mr. SPARKS.

I now come to the next order issued by the Commissioner of the General Land Office of which we have heard so much in this Hall and elsewhere.

In order to fully vindicate the Commissioner and forever put at rest the charge of injustice and illegality, a statement of the facts and what the law is will be sufficient.

When the present administration came into power and the present Commissioner took charge of the General Land Office, he found a large amount of evidence on file proving great frauds on the public lands which had been taken by agents under a former administration, which evidence has been greatly increased under his charge, much of which I have referred to heretofore.

There was also found an appalling state of things growing out of the unlawful fencing of the public lands by cattle "rings" and capitalists—30,000,000 acres of the public lands were fenced with wire fences, many of these erected by foreigners, and when the honest settler undertook to settle upon these lands and make a home for himself and family he was driven off by the "cowboys," who were in the employ of the men who claimed to own the premises, for the purpose of raising cattle thereon, thus illegally prostituting these public lands to their exclusive use to gratify their greed and avarice in the accumulation of wealth.

In this way they were enabled to produce hundreds of thousands of cattle annually at a mere nominal cost per head, which they put in the market in competition with the cattle of the farmers which had to be raised and made ready for market from the products and labor of the farm. No wonder at the outburst of approval from the farmers of the whole country which arose when the present Executive issued his proclamation last year ordering the "cattle rings" and capitalists to take their cattle from these lands, and the great body of the people throughout the entire country will stand by the President in his efforts to strictly enforce the letter of this proclamation.

Why this was not done by a former administration I shall not stop to discuss. It was not done, however. Formal notice, I believe, was served on the parties to go from these lands, but no attention was paid to this, and they continued in unlawful possession of the lands. Some suits were also brought, but they were not prosecuted to effect. To give some idea of the enormity of these cattle ranches I read the following list which embraces only a part of them:

The following localities, in addition to the counties above mentioned in the State of Nebraska, are referred to, namely:

Kingman, Pratt, Barbour, Butler, Harper, Comanche, and Lane Counties, Kansas; Billings County, Dakota; Cassia and Oneida Counties, Idaho; Carbon, Laramie, and Sweetwater Counties, Wyoming; Humboldt, Mendocino, and Plumas Counties, California; Madison, Meagher, Gallatin, and Yellowstone Counties, Montana; Sevier County, Utah; Colfax and Mora Counties, New Mexico; and Bent, Las Animas, Pueblo, Fremont, Park, El Paso, Weld, and La Plata Counties, Colorado.

Among the cases specially reported, additional to the Brighton Ranch in Nebraska, are those of the Arkansas Valley Cattle Company, in Colorado, whose inclosures embrace upward of 1,000,000 acres; the Prairie Cattle Company (Scotch), in Colorado, upward of 1,000,000 acres; H. H. Metcalf, River Bend, Colorado, 200,000 acres; John W. Prowers, Colorado, 200,000 acres; McDaniel & Davis, Colorado, 75,000 acres; Routchler & Lamb, Colorado, 40,000 acres; J. W. Frank, Colorado, 40,000 acres; Garnett & Langford, Colorado, 30,000 acres; E. C. Tane, Colorado, 50,000 acres; Leivesy Brothers, Colorado, 150,000 acres; Vrooman & McFife, Colorado, 50,000 acres; Beatty Brothers, Colorado, 40,000 acres; Chick, Brown & Co., Colorado, 30,000 acres; Reynolds Cattle Company, Colorado, 50,000 acres; several other cases in Colorado, embracing from 10,000 acres to 30,000 acres; Coe & Carter, Nebraska, 50 miles of fence; J. W. Wilson, Nebraska, 40 miles of fence; J. W. Bosler, 20 miles; William Humphrey, Nevada, 30 miles; Nelson & Son, Nevada, 22 miles; Kennebeck Ranch, Nebraska, from 20,000 to 50,000 acres. In Kansas entire counties are reported as fenced. In Wyoming 125 large cattle companies are reported having fencing on the public lands. Among the companies and persons reported as having "immense" or "very large" areas inclosed, but specific quantities not mentioned, are the Dubuque, Cimmaron, and Benello Cattle Companies, of New Mexico; the Carlisle Cattle Company (English), in Colorado; the Marquis de Morales, in Dakota; the Wyoming Cattle Company (Scotch), in Wyoming; the Rankin Live Stock Company, in Nebraska. Several companies and persons in Montana and elsewhere are mentioned as having inclosures with no data as to areas. A large number of cases in the several States and Territories west of the one hundredth meridian are reported where the inclosures range from 1,000 to 25,000 acres and upward.

The cases above referred to are to be regarded merely as indicative of the situation.

DEPARTMENT OF THE INTERIOR, *Washington, March 3, 1884.*

DEAR SIR: Referring to our conversation on the subject of foreign companies controlling inclosures of the public lands, I send you the inclosed memorandum, which I think contains the facts you wanted. The land described, with the exception of perhaps a few thousand acres, is all Government land.

Very respectfully yours,

H. M. TELLER, *Secretary.*

Hon. L. E. PAYSON, *House of Representatives.*

The Arkansas Cattle Company have fenced in the following-described public land in the States of Colorado and Kansas, namely:

Beginning on the north bank of the Arkansas River, on the line between Secs. 19 and 20, in T. 23 S., R. 41 W., and running a northerly direction to Sec. 20, in T. 15 S., R. 41 W.; thence a northwesterly direction to Sec. 20 in T. 15 S., R. 44 W.; thence a southwesterly direction to southeast corner of Sec. 35., in T. 15 S., R. 48 W.; thence a southerly direction to the northeast corner of T. 19 S., R. 48 W., and thence a southeasterly direction to the bank of the river in Sec. 26, T. 22 S., R. 46 W. of the sixth principal meridian. Also all that other tract or parcel of land being on the south side of the Arkansas River, in Bent County, Colorado, and bounded as follows, namely: Beginning on the south bank of the Arkansas River on the east line of T. 23 S., R. 42 W., and running south on said township line to the south line of said township; thence west along the south line of said township to the middle of Sec. 33 in said township, and thence north to the Arkansas River on the north line of Sec. 21, in said township.

There appears to be about forty townships, or 921,600 acres, embraced in the inclosure.

The United States deputy surveyor, G. W. Fairchild, says in his report:

The whole country embraced in my contract (Northwestern Nebraska) is occupied and run by capitalists engaged in cattle-raising, who have hundreds of miles of wire fence constructed to inclose all desirable land, including watercourses, to form barriers for their cattle and to prevent settlers from occupying the land. They also represent that they have desert or timber claims upon the land they have inclosed. Upon their fences they have posted at intervals notices as follows: "The —— who opens this fence had better look out for his scalp." The fences are built often so as to inclose several sections in one stock ranch, and the ranches are joined together from the mountains clear round to the mountains again. Persons going there intending to settle are also informed that if they settle on the land the ranchmen will freeze them out; that they will not employ a man who settles on or claims land, and that he can not get employment from any cattle-men in the whole country.

All the facts which I have stated and many more confronted the in coming administration. Vigorous proclamations and orders, and their strict enforcement, were absolutely necessary.

These frauds had to be met in a way which would put a stop to them, else the absorption of our public lands would surely follow. To meet the emergency orders were issued by the General Land Office, and because of their issuance Commissioner Sparks has undeservedly been attacked. An order was issued suspending the further issuing of patents.

Another order, suspending entries under the provisions of the preemption, timber-culture and desert-land laws was issued. The latter order was issued in anticipation of the speedy passage of an act by Congress repealing those laws. The action of the Commissioner in this instance, in thus anticipating the action of Congress relative to matters relating to the General Land Office is well established by numerous instances in former administrations, which I will show further on when I come to read a letter from Commissioner Sparks on this subject.

As a matter of fact, there was at the time that this order was issued a bill pending before Congress for that purpose, which, but a few days after the issuance of this order, passed the House by a vote of more than 4 to 1, and which ought to pass the Senate and become the law. The repeal of these laws has been recommended for four years by the General Land Office.

I introduced a bill in the Forty-eighth Congress, as well as in this, for the repeal of these laws.

In the last Congress, as well as in this, I also had the honor to report a bill for the repeal of these laws to the House from the Committee on the Public Lands, of which I was then and am now chairman, which there passed but which was defeated in the Senate. Whether the present bill will pass the Senate without objectionable amendment remains to be seen.

For issuing his last order Commissioner Sparks has been most savagely denounced. All the land-grabbers in the country, together with their huge and organized array of agents and lobbyists, seem peculiarly distressed and denounce it as unlawful.

That the Commissioner had the clear legal right to issue this order is fully shown by his letter to the Secretary of the Interior of June 21, 1886, in answer to a Senate resolution calling upon that officer "to inform the Senate by what act it is claimed that Congress has delegated to the Commissioner of the General Land Office or to the Secretary of the Interior, or to those officers acting jointly, the power to suspend by executive order the operation throughout the United States of the preemption, the timber-culture, and the desert-land acts." I read from his letter:

The authority to issue such circular was founded upon precedents deemed to be sufficient, of more than forty years' standing, sanctioned by judicial decisions and by Congressional recognition.

The legislative authority upon which these precedents were established appears to have been drawn from the general powers of supervision and administration conferred upon the executive department (act of April, 1812, 2 Statutes, 716; July 4, 1836, 5 Statutes, 107; 3 March, 1849, 9 Statutes, 395; Revised Statutes, sections 441, 453) and upon the special recognition of the power of the President to create reservations of public lands found in the pre-emption act of 1841 and similar acts.

The following are among the leading decisions of the Supreme Court of the United States in which the authority of the President to reserve public lands from entry has been affirmed, the acts of the officers of the Land Department in this respect recognized as the acts of the President, and the legal effect of such reservations upheld.

In 1827, in the case of Chotard *vs.* Pope (12 Wheat., 586), the court said: "An authority 'to enter' a certain quantity of land does not authorize a location on lands previously appropriated or withdrawn from the lands offered for sale."

In McConnell *vs.* Trustees (12 Wheat., 582), the court recognized "the reasonableness of reserving a public spring for public uses."

In Kissell *vs.* Saint Louis, an entry was held invalid because the land had been "reserved from sale" by officers of the Land Department." (18 How., 19.)

At the request of the Secretary of War, the Commissioner of the General Land Office in 1824 colored and marked upon a map a section of land as reserved for military purposes and directed it to be reserved from sale for those purposes. In the case of Wilcox *vs.* Jackson (13 Pet., 513), involving this land, the Supreme Court, reciting the foregoing, said:

"We consider this, too, as having been done by authority of law, for among other provisions in the act of 1830 all lands are exempted from pre-emption which are reserved from sale by order of the President. Now, although the immediate agent in requiring this reservation was the Secretary of War, yet we feel justified in presuming that it was done by the approbation and direction of the President. The President speaks and acts through the heads of the several Departments in relation to subjects which appertain to their respective duties. Both military posts and Indian affairs, including agencies, belong to the War Department. Hence we consider the act of the War Department in requiring this reservation to be made as being in legal contemplation the act of the President, and consequently that the reservation thus made was, in legal effect, a reservation made by order of the President, within the terms of the act of Congress."

In the pre-emption act of 1830 it is provided that the right of pre-emption contemplated by the act shall not extend "to any land which is reserved from sale by act of Congress, or by order of the President." In the pre-emption act of 1841 (sec. 2258 Revised Statutes) it is provided that "lands included in any reservation by any treaty, law, or proclamation of the President of the United States," shall not be subject to entry under the act. The act of 1853, extending the pre-emption laws to California, excepted from their operation lands "reserved by competent authority."

In Grisar *vs.* McDowell (6 Wall., 381), the Supreme Court, construing the foregoing acts, say:

"The provisions in the acts of 1830 and 1841 show very clearly that by 'competent authority' is meant the authority of the President and officers acting under his direction."

And the court further said in this case "that it was of no consequence to the plaintiff whether or not the President possessed sufficient authority to make the reservation." It was enough that the title remained in the United States. A legal entry could not be made while the lands were in the reserved condition.

In 1846 Congress made a grant of lands for the improvement of the Des Moines River below the Raccoon Fork. This grant was constructively held by the Commissioner of the General Land Office and the Secretary of the Interior to apply to lands above the Fork, and lands above the Fork, amounting to upward of 270,000 acres, were, on June 1, 1849, withdrawn from sale and entry by this office for the benefit of the river grant. It was afterward held by the Supreme Court that there was no grant above Raccoon Fork.

But under the excepting provisions of an act making a railroad grant, subsequent to the river grant, which subsequent act declared that lands reserved to the United States in any manner by competent authority, for any purpose whatever, should be reserved from the operation of the act, the courts have steadily held that lands so reserved by the Land Department for river improvement purposes, although under an erroneous construction of the law, did not pass with the railroad grant, and have also held that the withdrawal was an inhibition against settlement and pre-emption rights. (Wolcott *vs.* Des Moines, 5 Wall., 681; Homestead Company *vs.* Valley Railroad, 17 Wall., 153; Wolsey *vs.* Chapman, 101 United States, 755; Dubuque and Sioux City Railroad Company *vs.* Des Moines Valley Railroad Company, 109 United States, 329.)

And in Wolsey *vs.* Chapman, it was specifically held that an order of reservation sent out from the appropriate Executive Department in the regular course of business is the legal equivalent of the President's own order to the same effect, and is therefore such a proclamation by the President reserving lands from sale as the law contemplates. (Page 770.)

The foregoing decisions recognize the abstract right of the Executive Department to withhold lands from entry and thus to suspend the operation of the public-land laws to the extent of such withdrawals. Necessarily specific cases are treated of in these decisions because specific cases were before the court, but the court affirmed in these cases a general principle which it applied to the particular cases decided.

This was the right of the Executive to reserve lands from entry. Given the right of suspension, the only question that remains is that of the necessity or expediency of its exercise—the question of propriety. The extent of suspensions may be considered in connection with the question of expediency or propriety, but does not enter into a discussion of the question of abstract right. Neither does the occasion for suspensions—the reasons why they are made—touch the fundamental question of the right to make suspensions. If a suspension of public land entries, wholly or in part, in executive discretion is lawful for one cause deemed sufficient by the executive authority, it is equally lawful for another cause deemed equally sufficient.

It is the judgment of the Executive that determines the sufficiency in either case, and in either case the question whether the occasion is sufficient or not is one affecting the responsibility of executive officers in the exercise of their powers, and not a question of the power itself. Conceding the right to withdraw, or withhold from entry, one section of land, or any subdivision of a section, as a matter incident to administrative supervision and control, the right to withhold any larger area is equally admitted. It can not be said that a suspension of entries is authorized for a limited quantity of land, but not authorized for a larger quantity; that it may be made for one locality and not for another; for a part of one State or Territory and not for the whole State or Territory; or that it may be made for a portion of the public lands and not for all of them.

It is a question of principle and not a question of the extent to which the principle shall be applied. Indeed, a suspension confined to certain localities and in favor of particular interests is a far more dangerous exercise of the power of suspension than one operating generally. In the former case a latitude of discretion is opened which may be abused for the promotion of favorite interests or the accomplishment of particular purposes not of general or public import. In the other case there is a uniformity through which all interests are affected alike, and such general suspension can be founded only upon public considerations.

Again, the question of principle is not a question of analogy but of identity. The circumstances under which one suspension is made may or may not be analogous to the circumstances of another; the causes and reasons may or may not be the same, but the principle must in all cases be identical, since if there is no authority for executive withdrawals in executive discretion, there can be no such authority in any case; while, if authority exists at all, it exists for any cause in which the Executive deems its exercise proper and expedient.

Withdrawals, reservations, and suspensions, applied to lands withheld from public entry, operate to prevent entries from being made upon the withdrawn or reserved lands while the withdrawal, reservation, or suspension exists. In the various instances in which suspensions of entries have been made for railroad purposes, the terms "withdrawal of lands from entry" and "suspension of entries" are synonymously used, sometimes one phrase being used and sometimes the other. And all "withdrawals of land from entry" and "suspensions of entry" constitute "reservations," more or less complete, of the land involved.

Among the precedents relied upon as authority for the circular named the following are cited:

On March 3, 1883, Congress passed an act exempting the public lands in the State of Alabama from the operation of the mineral laws, and providing for the sale of lands previously reported as mineral, and for the disposal under agricultural laws of unsold lands of that character after an offering at public sale.

The operation of this act, so far as relates to sales and entries of lands previously reported as mineral, has been in suspension up to the present date in anticipation, I am advised, of amendatory legislation. On two occasions (one under the previous and one under the present administration) executive proclamations have been issued carrying the act into effect, and in each instance the President has revoked the same.

The Brighton Ranch Company, a cattle corporation in Nebraska, illegally inclosed with fences a large body of public lands, estimated at some 125,000 acres. Suit was brought to compel removal of the fences. Upon the representations of the United States attorney that an attempt was likely to be made by the company to defeat the suits by causing a line of entries to be placed upon the sections and subdivisions on which the fences were standing, this office, at the suggestion of Attorney-General Brewster, directed the register and receiver by letter of December 16, 1884, to "allow no further entries" on the lands crossed by or contiguous to the line of fence, pending the suit instituted by the Department of Justice to compel the removal of said fence.

On February 23, 1886, at the request of Attorney-General Garland, this office, by order addressed to the register and receiver at Cheyenne, Wyo., directed a suspension of all entries in certain sections of land in that district to prevent the defeat of a similar suit against another party.

I omit further reference to numerous cases of special character in which suspensions have been made on account of possible private land claims, proposed military and Indian reservations, and contemplated appropriations by the Government for various purposes, and as precautionary measures in view of anticipated fraudulent entries or the suspected character of public surveys, and for other causes, although these special suspensions necessarily depended upon the fundamental principle of the right of suspension for sufficient cause, and were assertions of that principle in its application to particular cases. The material line of precedents I deem proper to cite more *in extenso* are those involving withdrawals of public lands from settlement and entry for the benefit of corporations having or claiming grants of land for railroads and canals.

As early as September 28, 1828, Commissioner Graham, by direction of the President, instructed the register of the land office at Piqua, Ohio, to reserve from sale the lands along and within 5 miles of what was supposed would be the route of the canal from Dayton to Lake Erie, in aid of the construction of which a grant of lands had been made to the State of Ohio by act of Congress approved May 24, 1828. This reservation embraced about 500,000 acres.

On April 11, 1844, the Commissioner of this office (Thomas H. Blake), by direction of the Secretary of the Treasury, instructed the proper district land officers in Wisconsin to withdraw from sale or entry, for any purpose whatever, all the vacant lands, surveyed and unsurveyed, situated within 2 miles of the Fox and Wisconsin Rivers, in anticipation of a proposed grant by Congress to the State of Wisconsin to aid in the improvement of the navigation of said rivers.

The Congress then in session having failed to make the proposed grant, the withdrawal was revoked by this office under instructions from the Secretary of the Treasury dated July 14, 1845, having been in force for more than a year. This withdrawal covered about 500,000 acres.

During the years 1853 and 1854 a great quantity of land was withdrawn from sale or entry (except for valid pre-emption claims) by the Commissioner of this office, "by order of the President," "issued on the representations and at the solicitation of members of both Houses of Congress," in anticipation of grants being made to aid in the construction of certain proposed railroads. The lands so withdrawn were situated in ten States and thirty-four land districts, and amounted to about 31,000,000 acres, according to Commissioner Wilson's report for 1854, as follows:

"At the instance of many members of Congress and others, about 31,000,000 of acres in several of the land States had been withdrawn from market in anticipation of grants for railroad and other internal improvements. As such grants were not made, it was deemed expedient to restore these masses of lands to market, especially in view of the passage of the bill graduating the price of the public lands, and this has been done, except where the reservation was for a fixed period, or grants have already been made." (Land Office Report, 1854, page 6.)

Congress having failed to make the proposed grants, the lands were restored to market, by order of the President, during the months of October, November, and December, 1854.

In anticipation of a grant to the State of Iowa to aid in the construction of four railroads in that State, Commissioner Hendricks, on May 10, 1856, issued telegraphic instructions to the registers and receivers for the six land districts in said State, withdrawing from sale or location all lands south of the line between townships 91 and 92, comprising about two-thirds of the entire State. The act making the grant did not receive the signature of the President until May 15, 1856.

During the year 1856, in anticipation of railroad grants to the States of Louisiana, Michigan, Wisconsin, and Mississippi, the Commissioner of the General Land Office issued telegraphic instructions to the local officers of twenty land districts in said States suspending from sale and location large bodies of land, as follows:

State.	Order of suspension.	Date of grant.
Louisiana	May 31, 1856	June 3, 1856
Michigan	May 30, 1856	June 3, 1856
Wisconsin	May 29, 1856	June 3, 1856
Mississippi	Aug. 9, 1856	Aug. 11, 1856

The lands thus withdrawn in anticipation of proposed grants amounted to at least 50,000,000 acres, exclusive of lands previously appropriated.

During the same year railroad grants were made to the States of Florida and Alabama, and in 1857 grants for several roads were made to the Territory of Minnesota. Long before any of the roads provided for in said grants had been located, and consequently before any right to any particular lands under the grants had vested in the States, the Commissioner of the General Land Office issued directions to the local officers of nineteen land districts in said States and Territories suspending the sale and location of all lands within what was supposed would be the limits of the several grants, amounting to more than 28,000,000 acres, exclusive of lands previously appropriated, as follows:

State.	Date of grant.	Order of suspension.
Florida	May 17, 1856	May 17, 1856 May 23, 1856 June 9, 1856 July 8, 1856 Sept. 6, 1856
Alabama	May 17, 1856	May 17, 1856
Do	June 3, 1856	June 19, 1856
Minnesota	March 3, 1857	March 7, 1857

Representations having been made that pre-emption claims for speculative purposes were being placed upon the lands within the limits of the withdrawals in the States of Wisconsin, Michigan, Alabama, and Florida, the local officers in said States were, on December 16, 1856, February 2, February 13, and April

29, 1857, respectively, directed by the Commissioner of the General Land Office to refuse to receive any pre-emption claims, based on settlements initiated after the receipt by them of said orders, on large bodies of lands in their districts. These suspensions from pre-emption were prior to the location of the several roads in whose interest they were made, and consequently prior to the attachment of any right under the grant to any particular lands. This inhibition against the right of pre-emption affected more than 40,000,000 acres of public land.

On July 17, 1862, the lands granted to the Leavenworth, Pawnee and Western Railroad Company by act of July 1, 1862, were withdrawn "from pre-emption, private entry, and sale" by order of Commissioner Edmunds. This withdrawal, which included both odd and even sections, was made at the request of the attorney for the company before the acceptance of the grant, and was based upon a paper map of Kansas and Nebraska, upon which the "probable" line of the road from the Missouri River to the one hundredth meridian of west longitude was indicated in pencil. About 5,500,000 acres were included in this withdrawal.

On March 19, 1863, the Commissioner of the General Land Office, with the approval of the Secretary of the Interior, withdrew from pre-emption, homestead, private sale, or location all the odd-numbered sections within 10 miles on each side of the supposed routes of the Atchison, Topeka and Santa Fé and Leavenworth, Lawrence and Galveston Railroads, in the State of Kansas, amounting to at least 2,000,000 acres. This withdrawal was made prior to the designation of any actual route, and at the request of the Senators and Representatives from Kansas.

By acts of Congress approved March 3, 1865, and July 3, 1866, 400,000 acres were granted to the State of Michigan to aid in constructing the Portage Lake and Lake Superior Ship-canal. By act of July 3, 1866, a grant of 100,000 acres was made to said State for the Lac La Belle Ship-canal.

Although these grants were floats, not attaching, until selected, to the particular lands then vacant and subject to selection, and could easily have been satisfied from lands in market, all the lands in the odd sections in the upper peninsula of Michigan west of the line between ranges 15 and 16 (about two-thirds of the upper peninsula) were, on May 26, 1865, and July 14, 1866, "withdrawn from sale, location, or claim" by the Commissioner of the General Land Office, by direction of the Secretary of the Interior, in order to insure the ultimate satisfaction of the grant. This withdrawal embraced upward of 1,000,000 acres.

In addition to the foregoing, withdrawals of indemnity lands, where no withdrawals were authorized by law, have been made from time to time as the several roads were located, in anticipation of losses within granted limits. Withdrawals of this character, covering fully 54,000,000 acres, have been made for sixty-seven roads. The largest withdrawals of this class for any one road are those for the Northern Pacific Railroad Company, which were made at various dates between 1871 and 1884, and are still maintained. Said withdrawals were from sale, location, entry, and claim of any kind, and embraced at least 12,000,000 acres, including unsurveyed as well as surveyed lands. In the Territory of Dakota alone about 2,400,000 acres of indemnity lands are withdrawn, while the records of the General Land Office show that the losses within the granted limits in said Territory do not exceed 30,000 acres. Equally excessive withdrawals for this road have been made in other Territories.

By act of August 11, 1876, Congress opened to settlement the tract of country known as the Osage ceded lands in Kansas. It had previously been held that these lands passed under railroad grants for the Leavenworth, Lawrence and Galveston, and Missouri, Kansas and Texas Railroad Companies, but had been afterward decided by the Supreme Court to have been excluded from those grants.

The second section of said act gave a preference right to parties who had purchased from either of the companies to purchase from the United States, but limited the amount they would be allowed to take to 160 acres.

The Commissioner of the General Land Office (Mr. Williamson), deeming that an injustice would be done purchasers from the companies after patent in quantities greater than 160 acres, on November 16, 1876, with the approval of the Secretary of the Interior, Mr. Chandler, directed the local officers not to receive filings or allow entries upon any of the lands which had been purchased from the railroad companies until the attention of Congress could be called to the matter in the form of a bill for the relief of said purchasers.

The bill was submitted to Congress, and no action having been taken thereon the Commissioner of the General Land Office, on March 28, 1877, invited the attention of the Secretary of the Interior to the subject, and suggested that the law should be executed.

The Secretary, after consideration of the matter, on April 13, 1877, concurred in the opinion of the Commissioner, and orders were issued to the local officers accordingly on April 14, 1877.

The execution of the act of August 11, 1876, was therefore suspended from November 16, 1876, to April 14, 1877, or about five months, in anticipation of legislation by Congress.

I transmit herewith copies of the more material orders, including the above, suspending entries in various sections of country at different times throughout the public-land States and Territories for the benefit of railroad and other corporations, in advance of laws making grants; in anticipation of grants that never were made; in advance of the time when any right to any particular land attached under the grant, although the granting acts specifically protected the right of entry until the railroad right should attach, and suspensions made to hold lands for future indemnity selection by railroads, although the companies had acquired no rights to such lands at the time the suspensions of entries were made, and in numerous cases did not acquire such right for years, and in some cases never acquired such right. These withdrawals were suspensions by executive order of the operation of the public-land laws, including the homestead law after its passage in 1862, and a denial to citizens of the United States of their rights under said statutes.

Such suspensions were not only a denial of the right of citizens under said statutes, but were such denial in the face of provisions of the granting acts, which, in their terms, sense, spirit, and legal intendment, declared should be preserved notwithstanding the grants until a time certain had arrived. Not denying, and not treating of the abstract right of the executive department to temporarily withdraw public lands from the operation of the public land laws as a matter of administrative discretion and for sufficient cause justifying such action, I have in my annual report for 1885 shown that no public reason existed for railroad withdrawals of the character above indicated, and further, that such withdrawals were inimical to the protective clause of the grants and to the objects designed to be secured by Congress in making the grants, and oppressive and disastrous to citizens of the country.

Referring to the great delays, running through a score or more of years in many cases, in the construction of land-grant railroads, it is said:

"Such delays have been made possible through official action of the Land Department in withdrawing from public appropriation lands within assumed limits of projected roads and retaining such lands in indefinite reservation.

"The granting acts generally make no provision for official withdrawals. Granted lands were to be identified by the definitely fixed location of the line of the road. Until then the grant did not attach to any land, but all lands on the line of the proposed road remained within the disposable power of the Government and subject to settlement and entry.

"An official withdrawal of lands from appropriation and disposal under the public-land laws before the time arrived when the right of appropriation and disposal was concluded by the lawful identification of granted lands was clearly an act of wrong to the Government and an injustice to settlers, while of great and improper advantage to railroad corporations.

"Such withdrawals have, however, been made, such wrong and injustice perpetrated upon citizens and the Government, and such advantages secured by grantees upon whose requests and for whose benefit the withdrawals were ordered.

* * * * * * *

"In most, if not all, cases of railroad grants premature and unauthorized withdrawals have been made, the land held sacredly reserved for the railroad, and the legal rights of settlers arbitrarily and cruelly denied. The number of settlers having indisputable legal right to the lands occupied by them who have been forced to buy their homes of railroad companies or suffer eviction, because of official declarations of superior railroad right founded upon constructive withdrawals made before any railroad right had actually been acquired, can never be ascertained, since their applications for the most part died at the local offices, and the general failure of those who applied prevented even the assertion of rights by others."

And again:

"I know of no law authorizing or recognizing the location generally of railroads by sections or divisions. The entire line, including its branches, must be located before the law (as found by the Supreme Court) vests in a railroad company any rights to any land. (Cedar Rapids case, 110 U. S., 27.) The date of the filing in the General Land Office of the complete map of the whole line is the date when, under the law as so determined, settlement rights within railroad limits cease and the rights of the companies begin.

"But periods of attachment of railroad rights have been officially computed upon reported dates of partial 'surveys in the field,' or upon maps of portions of lines undetermined as a whole, and otherwise prematurely, and the difference in time between the accepted and actual definite locations have varied from some months to several years, and sometimes many years, during all of which time settlement rights have been refused, entries canceled, or applications rejected, and lawful claimants ousted from their possessions."

The above extract shows that such withdrawals were considered to be illegal, not because of want of power to suspend applications for entries as a general proposition, but because those withdrawals were made for a manifestly illegal purpose, and because of the special conditions and limitations of the granting acts themselves. These acts preserved the right of entry under the public-land laws within granted limits until the definite location of the line of the roads; and it is well-settled law, never open to reasonable question, that the companies acquired no rights to lands within indemnity limits until a still later period, and hence in these cases such conditions and limitations were believed to be a bar to the exercise of any general powers of suspension.

A marked distinction is to be drawn between the effect of suspension of entries under railroad withdrawals and the effect of the circular referred to in the resolution. This circular made no general withdrawal or reservation of lands and denied no settlement right. The land was not disposed of, nor contemplated to be disposed of, adverse to any valid settlement right accrued or accruing after its issue, and if any adverse entry should have been made, after the the issuance of the circular, upon lands in the occupation of a *bona fide* settler, the rights of the prior settler, being ascertained, would, under established rules and practice, cut off the subsequent claim.

As the greater includes the less, it would appear that the habitual exercise, without limit or qualification, of an assumed power of suspension would justify its qualified exercise when based upon the evident purpose of conserving the public interests.

The laws authorizing entries upon public lands are permissive and not mandatory statutes. They are to be carried into effect under rules and regulations adopted by the Land Department. Can it be said that action under a permissive statute should be judged by the rules applicable to a madatory one, or that, when the liability of a defeat of the purpose of the law is imminent, the authority of the Land Department to determine how, when, and in what manner the privileges of the law may be exercised, shall be so circumscribed as effectually to nullify that authority?

With a rigid regard for law and legal restraints, I should profoundly regret if a proper construction of any act of mine, with your approval or that of the President, or both conjoined, and with or without precedents, could be held to have nullified or suspended a law upon the statute-book. It appears never to have been supposed in the practice of the Land Department that a temporary suspension of applications to make entries for any cause deemed justifiable amounted to an abrogation of the statutes, but, on the contrary, as the statutes themselves recognize the power of the Executive to reserve lands from entry, with no qualification as to limit, extent, or cause, that suspensions, when deemed proper by the Executive, were in the line of the statutes and not contrary thereto, and therefore not a nullification of the law.

The pre-emption laws expressly declare that "lands included in any reservation by any treaty, law, or proclamation of the President, for any purpose," shall not be subject to the right of pre-emption, and the statute does not define what lands may be reserved, nor when, nor the extent to which they may be reserved; and the purpose of the reservation is left exclusively to the discretion of the President, who "acts through the heads of the Executive Departments."

Registers and receivers are overwhelmed with applications to enter and file for land. The register and receiver at Denver, Colo., report 1,353 pre-emption applications received at their office from January 1 to May 31, 1886, against 434 received during the same period in 1885; and 1,756 timber-culture applications are reported for the first five months in 1886 against 670 for the corresponding period in 1885, an increase in the number of applications of both classes from 1,104 in 1885 to 3,109 in 1886, or nearly 300 per cent.

The Garden City (Kans.) officers report 3,578 pre-emption applications received for the first five months in 1886, against 1,080 for the same period in 1885, an increase of over 300 per cent. The Wa Keeney (Kans.) officers report 4,033 pre-emption and timber-culture applications for this period in 1886, against 882 for the same period in 1885, an increase of over 450 per cent. The register and receiver at Cheyenne, Wyo., telegraph "We are overwhelmed with applications." Information is general that the local officers in many, and chiefly in suspected districts, are thus overwhelmed. The situation so indicated was some time since described by the officers at Garden City, Kans., as follows:

"The rush for land in this section of Kansas is unprecedented. Every train brings in a crowd of land seekers. For more than an hour before the office opens a mass of humanity throngs the doorway, and it is a remarkable sight to see the press and excitement. There are fifty or more land agents or attorneys who, I may say, facilitate this rush. They make out the papers of hundreds and present them at one charge. The aggregate becomes overwhelming. Besides, in all the little towns dotted through this valley there are numerous land agents, who send us enough mail and express packages to keep us ordinarily busy. I look upon this state of affairs as a real abuse of the privileges designed by law, for a majority of the patrons swept through by these land agents never see the land they make entry upon, fail to realize their obligation to the Government, and scheme, by following the form, to avoid the spirit and intent of the law. We have no time to correct these things; we can not have time to attend to that patron who is in real need of our assistance. The result of this heedless rush is that work is poured in without restraint, and we labor in vain when we try to keep up with the work."

It is difficult to conceive that a presumption of good faith can exist where entries are made in the heedless rush above set forth. It is apparently the rush of speculative appropriation only, and further evidence upon this point is shown

by the advertising columns of newspapers in such districts which overflow with announcements of "relinquishments for sale."

Can the public good or the rights of settlement on public lands be deemed injuriously affected if, in attempting to accommodate the business of overcrowded offices and to check speculative appropriations, registers and receivers are in effect instructed to give precedence to applications for homestead or more presumptively *bona fide* entries over, or to the temporary exclusion of, classes of applications in which the greater degree of fraud and misappropriation has been developed? The class of cases named in the circular are those in which the grossest frauds are habitually perpetrated, and which, as all the appearances indicate, are now being made for the prevailing purpose of covering up lands under laws expected to be repealed and so of defeating anticipated legislation by Congress.

Attention is invited to the fact that measures for the repeal of the pre-emption, timber-culture, and desert-land laws have been pending in Congress since the commencement of the present session; that bills have been favorably reported to both Houses, and that at the first sitting of the House after the adoption of the Senate resolution now under consideration a bill repealing those laws was passed under a suspension of the rules by an almost unanimous vote.

Suspension of entries in anticipation of legislation had frequently been made, as shown herein, and it appeared to me that if any latitude of executive action is ever allowable in anticipation of an act of Congress, it was allowable in this case, when the purpose and effect of it was to save the heritage of the people in their public lands from indiscriminate spoliation.

The practice of the Executive Departments, like the practice and decisions of courts, is largely governed by the common law of established precedents. Precedents for suspending entries when the object was to give to private corporations advantages in anticipation of law are of early origin, while suspensions where the object was to give private corporations advantages not contemplated by the law are numerous, and such suspensions have been maintained for periods running back thirty years, and are still maintained. The effect of these withdrawals from settlement and entry has been to suspend the operation of the public-land laws over great areas of territory for indefinite and long-continued periods. It appeared to me if such authority could be exercised when the purpose was inimical to the public interests, its exercise in a milder and limited form was proper when the public interests were to be protected thereby.

It appeared to me that if the rights of citizens to settle upon and enter public lands could be lawfully denied by executive authority in order to hold lands for the future use of corporations which might or might not at some time become entitled to any of them, it was equally lawful to withhold lands from speculative and fraudulent appropriation when speculation and fraud have become notorious, and when all evidences indicate that the privileges of the laws are being availed of to defeat legislative measures in progress of consummation.

Suspensions of entries have been asked for by the most distinguished members of the Senate and House of Representatives, and by entire State delegations in Congress, for the benefit of railroad and other corporations, when the authority invoked was only that of the general powers of administration and control; suspensions have been made in great numbers of instances and over great stretches of country when no specific statute provided for such suspensions, but in no case to my knowledge has the authority of the officers of the Land Department to make such suspensions for such purposes heretofore been formally challenged.

But when it is proposed to suspend applications to enter under three of the seven classes of entry for a brief period for the protection of the public domain, to save public lands, as it was believed, from the grasp of speculation and monopoly and preserve them for actual settlement under the law, the authority to do so is called in question. While the object of the circular of June 2 was to prevent the legislative will from being defeated and to protect and preserve the public lands for homes for actual inhabitants, and while the authority to take the contemplated action was deemed sufficient under judicial decisions and long-established practice, asserting and following the principle of executive suspensions for adequate cause, and while the cause in the present instance was deemed of such public importance and pressing exigency as to justify the application of the principle that had been recognized and maintained in less meritorious cases, still the strict technical authority of positive law for this action having been called in question, though informally at first, it was deemed proper that the question of doubt in respect to executive power should be resolved by the Executive Department against the exercise of the disputed power, and accordingly the same authority that issued the circular was at once invoked for its rescission, and it was in fact practically rescinded before the Senate resolution of inquiry was introduced and with no knowledge or expectation of the introduction of such resolution.

I may add that while the circular was general in its terms, being addressed to "registers and receivers of United States land offices," it was not essential to the purpose for which it was issued that it should be operative elsewhere than in certain districts, and telegraphic instructions conveying its substance were sent only to such districts, and not wholly throughout the public-land States and Territories. Those instructions were immediately revoked when the rescission of the circular was determined upon.

There are many other reasons in law and fact given in this letter for the issuing of this order, but enough has been read to convince the most skeptical of the legal right to issue it. That the facts fully warranted its issuance but few will have the effrontery to deny.

I sincerely regret that the Secretary of the Interior felt it his duty to revoke this order, and the whole country will regret it; for in contemplation of the passage of the bill repealing the pre-emption, timber-culture, and desert-land laws the number of entries made at many of the land offices, as I showed in a speech in the House a few days ago, has increased in the last three months more than 900 per cent. in many cases. This would have been stopped for a time had this order remained unrevoked.

Charges are made also that the Commissioner has made a new set of rulings controlling the entry, &c., of public lands. This I assert is not true; and to completely refute these charges and set the matter at rest I read the following letter, which may be found on the files of the General Land Office:

DEPARTMENT OF THE INTERIOR, GENERAL LAND OFFICE,
Washington, D. C., February 26, 1886.

SIR: I have the honor to acknowledge the receipt of your letter of recent date inclosing a letter addressed to you by William Coleman, of McCook, Nebr., asserting that "the action of Hon. Mr. Sparks in his stopping the issue of patents has caused a wonderful amount of suffering this winter." You also allude to similar letters received by you from others and desire me to favor you with information for intelligent replies to these letters.

I have the honor to state that the case referred to by your correspondent is not affected by any order of suspension, and that this is the fact in respect to similar complaints of which I have heard. In the case mentioned the entry was made in 1885. The work of this office has for many years been at best between one and two years in arrears, and frequently longer. Entries are now being examined in regular course that were made in 1884. The order of suspension complained of affects, therefore, only entries made before that date which would not and could not be patented if there had been no suspension.

Another "hardship" alleged by your correspondent is that my ruling prevent settlers from selling or mortgaging their homestead and pre-emption claims. I beg to say that no rulings of mine prevent them from doing so. Nor have I changed any rulings upon that subject, but am simply following the laws and the decisions of the Supreme Court in the matter. It is not held by me, as alleged, that no deed or mortgage can be given until after patent. Undoubtedly a man can sell or mortgage anything he has, and can give to another just as good a title as he has himself—and no better. This is the ruling of the Supreme Court, and it is my ruling.

In Myers *vs.* Croft (13 Wall., 291) the court said that "the object of Congress was attained when the pre-emptor went with clean hands to the land office and proved up his right and paid the Government for his land," and that the pre-emptor was "free to sell his land after the entry, if at that time he was in good faith the owner of the land, and had done nothing inconsistent with the provisions of the law on the subject."

In this, as in all Federal and State decisions upon the subject, the primary proposition is that the entry shall be a good-faith entry, and the laws shall have been fully complied with. In such cases the transfer is good; not otherwise. Strenuous efforts have repeatedly been made to assert the doctrine that although a claim might be worthless while in the hands of the entryman, on account of his failure to comply with the law, or for other reasons, it may be strengthened and made a matter of absolute right by virtue of a transfer to a third party. Such doctrine is without foundation in legal principle, and has never been admitted by the courts or by this Department. "The purchaser takes no better claim for title than the entryman has to confer; and whatever right is thus acquired is subject to the subsequent action of the Land Department." (E. M. Chrisinger, 4 L. D., 247.)

In Root *vs.* Shields (1 Wool., 344) the court said:

"I think it pretty clear that some at least of these defendants purchased and paid their money without any knowledge in fact of any defect in the title. Yet they are not *bona fide* purchasers, for a valuable consideration, without notice, in the sense in which the terms are employed in courts of equity."

It is the universal rule of law that purchasers of an equity take no better title than their grantor had to give. Persons purchasing before patent take only an equity, and this is settled law of which everybody had notice. If an entryman's claim is not good his transfer does not make it any better. This is the ruling of the courts followed by me.

If in advising the public through these rulings and decisions that entries must be valid in order to be confirmed, and if found invalid they can not be confirmed, and that I mean, as an administrator of the law, to find out whether they are valid or not, reminding purchasers and mortgagees that they must look to the foundation of their titles as in all other cases of land transactions between man and man, then a service and not an injury will be done to people who desire to be reasonably prudent and careful in their investments.

It is not believed that every honest settler who has taken up land for a home is suffering for an opportunity to mortgage it. If a man has taken up land on purpose to sell or mortgage it, he has made a fraudulent entry and has no right to impose his pretended title upon his fellow-citizens nor to prevent other men from getting the land from the Government without paying him a bonus for the privilege.

It is inconceivable that whole communities of farmers are anxious to mortgage their actual farms. Ordinarily where people live upon land as homes they want to keep them from the grasp of money-brokers and usurers as long as they can.

A particular case which your correspondent presents is the case of a man who, after an apparently doubtful "settlement" for six months and the most meager "improvements," wants to sell or mortgage his "asserted" home on the public lands in Nebraska for the most he can get and return to his actual home in some Eastern State. This is a very common case. I do not believe that the population of a State is increased by a settlement that is abandoned as soon as its temporary purpose is accomplished, nor that the wealth of the State is augmented by an influx of money that is immediately carried out of the State in this manner.

Another case is where a man made an entry, sold the land for $800, and the purchaser finds his title not good. The real hardship in this case is that an honest settler who wants to get a home upon the public lands is compelled to remain homeless or buy off a fictitious claim. This kind of hardship I am endeavoring to prevent.

The complaint of your correspondent is that of a loan agent. His letter shows such to be his business. There are very few complaints from entrymen on account of suspension of patents. In fact there are no complaints to this office by *bona fide* entrymen because of delay in the issue of patents. It is the experience of this office that *bona fide* entrymen are in no haste for their patents (thousands remaining in this and the local offices uncalled for). But the clamor for them comes from the procurers of fraudulent entries who want patents issued before falsity of the claims can be ascertained by the Government. Regular homestead entries are not suspended, but are being examined for patent as rapidly as possible. As a matter of fact I am now causing the issue of a greater number of patents per month than have ever before been issued from this office, and in so doing am causing to be issued to lawful claimants as fast as they can be ascertained.

The suspensions that have been made are chiefly pre-emption and commuted homestead cases, of which very few are now found upon investigation to be genuine. My predecessor for three years laid before Congress in his annual and special reports the alarming prevalency of fraudulent entries of these classes. On assuming charge of this office I found reports from officers appointed under the late administration asserting as the general result of their examinations, experience, and information that a very small per cent. of such entries were valid, and that the public domain was being largely taken under cover of pretended settlement claims made for speculation, or in the interest of corporations and combinations of capitalists, foreign and domestic, who were acquiring title to public lands in vast bodies by fraud, bribery, and perjury. Under these circumstances I caused final action looking to the issue of patents on entries conditional upon settlement, improvement, and cultivation to be suspended in districts of country in which the evidence before this office is that such entries are so largely fraudulent.

In so doing I have exercised an authority which has always been exercised by the Land Department, and which was recognized as lawful and proper by President Jackson and by Attorney-General Butler as far back as 1830. (Laws, Opinions, and Instructions, 92; 3 Opinions Attorney-General, 93.)

These early instructions and opinions were given under laws existing prior to the act of July 4, 1836 (5 Statutes, 107), which act imposed upon the Commissioner of the General Land Office increased powers and duties of supervision and control over the sale and disposal of public lands.

My immediate predecessor suspended for two or three years certifying for the issue of patents on all lands in New Mexico, the greater portion of Colorado, and in certain classes of entries in various other States and Territories. Such suspensions have always been found a necessary act of administration to prevent illegal appropriations of the public domain, and it has never been found that hardship has resulted to *bona fide* claimants from such suspension.

There have been hardships imposed upon settlers under rulings and decisions

of this office and Department in years past, especially in connection with Congressional grants for railroads and other causes. When this has occurred settlers have not been slow to make their complaints direct to the office. Any injustice or fancied injustice is at once followed by complaints. But actual settlers on public lands have not complained to this office of my action in suspending the issue of patents, or otherwise in respect to my rulings and decisions.

On the contrary, I have received many letters expressing the gratification of *bona fide* settlers because of my efforts to protect the public lands against fraudulent entries, which are justly regarded by them to be inimical to their interests no less than frauds upon the Government. It is the universal testimony of gentlemen of disinterested observation who have visited me that the body of the people in the land States and Territories approve my course.

It is equally the universal testimony that money-brokers, professional land locators and speculators, attorneys and managers of cattle corporations and timber syndicates, and the whole array of persons engaged in the promotion and procurement of illegal and fraudulent entries, or realizing the benefits thereof, are just as bitterly opposed to this course as *bona fide* settlers are heartily in favor of it. That multitudes of complaints have been poured in upon Senators and Representatives in Congress, purporting to be from settlers or from persons assuming to represent settlers, or pretending to speak in their behalf, I have reason to believe, and also have reason to know the motives by which such communications as a class have been inspired and the objects sought to be attained.

It was formerly a practice in this office to make cases "special" for patent; that is to say, to advance them out of their order at the instance of attorneys backed frequently by political or official influence. Even suspended cases were thus taken up and patents procured in large numbers of cases. "Suspensions of patents" were not objected to as long as a way existed for getting cases through notwithstanding the suspension. On the contrary, the parties who now complain of "suspensions" were benefited by the former practice, for the ordinary attorney's fee of $25 for getting a patent upon an unsuspended case was immediately increased by a demand for $100 more as soon as a case was found in the suspended list. Now, no honest settler can afford, nor does he need, to pay $100 or $25 or any other sum to hasten the issue of his patent. It is not surprising, therefore, that these expedited cases turn out to be fraudulent after patents have issued and it is too late to remedy the wrong by administrative action.

I found it necessary, as a matter of justice to all claimants not less than as a measure in the public interest, to refuse to make any case "special." That has been the fundamental grievance against my administration, of attorneys who thus found a profitable vocation cut off.

Again, my early rulings and decisions clearly indicated a purpose to hold land-grant railroad corporations to the line of the law, instead of permitting their agents and attorneys to continue control of the practice and policy of this office. In like manner it was seen that magnified claims under alleged Spanish and Mexican grants were likely to meet with a scrutiny they had never before received, and finally that all claims for public land would be judged by the laws and compliance with law insisted upon, and that robbery of public lands should be prevented so far as I had power to that end.

As soon as this was made clear an organ zed movement was started in this city with a view of attempting to break down any reform in the administration of the Land Department and to restore the era of successful frauds, favoritism, and fees. Circulars were issued and sent broadcast to local attorneys and land and money brokers, laying out a plan of campaign and advising them to cause letters to be written to Senators and Representatives in Congress protesting against my action in suspending final action pending the issue of patents, and representing the hardships to settlers resulting from such action.

That the letters with which Senators have been deluged are the products of this inspiration there is no manner of doubt. Individual money-lenders who, in their eagerness to exact a rate of interest that no cultivator of the soil can pay and keep his land, having loaned money without looking to their security, or loan agents who to get their percentages on the investments of their principals have taken risks beyond the bounds of prudence or reason, may of their own motion have added to the volume of systematic complaints, but the general plan of operations, in which all having a similarity of interest could join, was marked out as above stated.

In attempting to stand by the landmarks of the law I was quite as well aware at the outset as now of the interested hostility that such course would evoke. I have not expected that the unlawful clutch of speculation could be loosened from the public lands without a struggle; nor that an aggressive domination, disastrous to present and prohibitive of future actual inhabitancy over half a continent, could be checked or controlled without encountering a determined resistance.

What is complained of, Mr. Senator, to yourself and others is in reality, in my opinion, that, as an officer charged with the administration of the law, I have regarded it my duty to certify for patents to issue to those entrymen only who have made *bona fide* entries and have complied with the conditions prescribed by law as conditions-precedent to entitle them to have patents, and that, to the extent of my official responsibility and the means which Congress provides, I am endeavoring to prevent the consummation of frauds upon the public domain.

The letter of your correspondent is herewith returned.

Very respectfully,

WM. A. J. SPARKS, *Commissioner.*

Hon. CHARLES F. MANDERSON,
United States Senate.

I now desire to call your attention to one more topic, and then I am done. It is in reference to the doctrine in land cases that the final certificate is title. Such is the doctrine held by many, but to my mind it is an erroneous one. I have always held that such is not the case. I have always been of the opinion that until a patent is issued the Department is at liberty to investigate any case, and where any disclosures of a fraudulent nature may be found I am most heartily of the opinion that the Department is at full liberty to deny the issuance of a patent. The decisions in support of my position are numerous, and I will here take occasion to cite some of the most prominent ones. Before, however, proceeding to a citation of judicial decisions I desire to say that the custom, or rather practice, of the Department in this matter has been influenced by a similar view of the subject.

An opinion rendered in 1834 by Attorney-General Butler (3 Op. A. G., 93) sets forth that the local-land-affairs act in a quasi judicial capacity in determining the question of fact on which the final certificate issues, but the issuing of patents, however, rests in the Commissioner, who may suspend them where the decisions of the local officers were obtained by fraud or founded on material errors of fact or law.

The doctrine laid down here has been uniformly observed by the Department, the most notable cases being the Charlemagne Tower cases decided on review by Mr. Secretary Teller February 20, 1884 (Decisions, volume 2, page 780); the Coggswell case (volume 3, Decisions), July 21, 1884, by Secretary Teller, and the Chrisinger case by Mr. Secretary Lamar, January 25, 1886.

The judicial decisions upon this subject are very numerous in confirmation of the doctrine I have expressed, and it is also held in addition that the purchaser from the entryman takes no better title than the entryman possesses. I here cite a few decisions which are to the point:

If, before patent issues, the Land Department finds the entry erroneous it may treat the assignment as void, and, notwithstanding it, set the entry aside. (Franklin *vs.* Kelley, 2 Nebr., 78.)

The act of 1841 provides that the entry shall be made with the register of the Land Office. The acts organizing the Land Department of the Government provide that the action of the register shall be subject to revision and supervision by the Commissioner of the General Land Office; an entry with the register is dependent upon the approval of his superior, so far as the course and order of the business go; and, without the affirmative action of the Commissioner, the patents issue. It would be a great evil if a party claiming a pre-emption right could, as soon as the entry was made, convey the land to a third party, and thereby prevent the Commissioner from re-examining and disapproving the entry if it was erroneously allowed. Such a course would expose the Government to serious loss, and pervert a statute conceived in a wise policy and a generous spirit into a means of perpetrating the greatest frauds. This is the mischief aimed at. The object was to protect the Government, and in this view the language—that the right secured by the act should not be assigned—is apt. As between the claimant and the Government, his interest is a right merely until the patent issues. It is subject to reinvestigation and, on inquiry, to be disregarded by the Department. Until the patent issues, it is treated by the Government not as a title but as a right or a claim of right.

I admit that if an entry under the act is made with the register, and the Commissioner finds that it was illegally allowed, as, for instance, if the entry is upon lands not subject to pre-emption, and he sets it aside, a conveyance intermediate the entry and the official act of vacating it would be void. Such a conveyance would be within the mischief. But if a valid entry be made, and a patent issued upon it, a conveyance intermediate those two acts would not be within the mischief. The issue of the patent is a confirmation of the entry; it relates back to it, and takes effect from it. (Astron *vs.* Hammond, 3 McLean, 107.

In the case of Harkness *vs.* Underhill (1 Black., 316), counsel for plaintiff urged that the register and receiver having sold the land to Waters in conformity with the instructions of the Commissioner of the General Land Office had no further power or jurisdiction over it. Neither had the Commissioner of the General Land Office power to set aside the sale even for fraud. This could only be done by judicial authority.

Counsel for defendant in reply cited the language of the supreme court of Missouri (in Green *vs.* Hill, 9 Mo., 322):

"It is the duty of the Commissioner of the General Land Office to revise the proceedings of the register and receiver and vacate entries which may have been illegally made, and thereby arrest the completion of a title originating in fraud, mistake, or violation of law. And to the same effect: Perry *vs.* O'Hanlon, 11 Mo., 585; Huntsucker *vs.* Clark, 12 Mo., 333; Nelson *vs.* Simms, 23 Miss., 383; Glen *vs.* Thistle, 23 Minn., 42; Mitchell *vs.* Cobb, 13 Ala., 137; Dickinson *vs.* Brown, 9 Smeade & Marshall, 130; Gray *vs.* McCance, 4 Ill."

The court (Mr. Justice Catron) said:

The question is again raised whether this entry having been allowed by the register and receiver could be set aside by the Commissioner.

This question has several times been raised and decided in this court upholding the Commissioner's powers. (Garland *vs.* Winn, 20 How., 8; Lytle *vs.* The State of Arkansas, 22 How.)

The two following also have a bearing on the question at issue:

A purchaser of land must look to every part of the title which is essential to its validity. (Brush *vs.* Ware, 15 Pet., 112.)

States have no power to declare certificates of purchase of equal dignity with a patent. (Bagnell *vs.* Broderick, 13 Pet., 436.)

In Barnard *vs.* Ashley (13 How., 43), the court said that the power of supervision by the Commissioner of the General Land Office "is exercised by virtue of the act of July 4, 1836, which provides 'that from and after the passage of this act the executive duties now prescribed, or which may hereafter be prescribed by law appertaining to the survey and sale of the public lands of the United States, or in any wise respecting such public lands, and also such as relate to private claims of land and the issuing of patents for all grants of land under the authority of the Government of the United States, shall be subject to the supervision and control of the Commissioner of the General Land Office, under the direction of the President of the United States.'

"The necessity of 'supervision and control,' vested in the Commissioner acting under the direction of the President, is to manifest to require comment, further than to say that the facts found in this record show that nothing is more easily done than apparently to establish, by *ex parte* affidavits, cultivation and possession of particular quarter-sections of lands, when the fact is untrue. That the act of 1836 modifies the powers of registers and receivers to the extent of the Commissioner's action in the instance before us, we hold to be true. But if the construction of the act of 1836 to this effect were doubtful, the practice under it for nearly twenty years could not be disturbed without manifest impropriety.

"The case relied on, of Wilcox *vs.* Jackson (13 Pet., 511) was an ejectment suit, commenced in February, 1836; and as to the acts of the register and receiver, in allowing the entry in that case, the Commissioner had no power of supervision, such as was given him by act of July 4, 1836, after the case was in court.

In the next case (9 How., 333) all the controverted facts on which both sides relied had transpired and were concluded before the act of July 4, 1836, was passed; and therefore its construction, as regards the Commissioner's powers under the act of 1836, was not involved. Whereas, in the case under consideration, the additional proceedings were had before the register and receiver in 1837, and were subject to the new powers conferred on the Commissioner.

In Vaquire *vs.* Tyler (1 Black, 195) the court recognized and affirmed the "plenary powers conferred upon the Commissioner by the act of July 4, 1836," and said that the power of the Secretary of the Interior under the act of March 3, 1849, to revise on appeal is "necessarily coextensive with the powers to adjudge by the Commissioner."

In Shepley *vs.* Cowan (91 U. S., 340), the court say:

The officers of the Land Department are specially designated by law to receive, consider, and pass upon proofs presented with respect to settlement upon the public lands with a view to secure the rights of pre-emption. If they err in the construction of the law applicable to any case, or if fraud is practiced upon them, or they themselves are chargeable with fraudulent practices, their rulings may be reviewed and annulled by the courts when a controversy arises between private parties founded upon their decisions.

In Marquiz *vs.* Frisbie (101 United States, 475) the court say:

We have repeatedly held that the courts will not interfere with the officers of the Government while in the discharge of their duties in disposing of the public lands, either by injunction or mandamus. (Litchfield *vs.* Register and Receiver, 9 Wool., 552; Gaines *vs.* Thompson, 7 *Id.*, 347; The Secretary *vs.* McGarrahan, 9 *Id.*, 289.)

After the United States has parted with its title and the individual has become vested with it, the equities subject to which he holds it may be enforced, but not before. (Johnson *vs.* Towsley, 13 *Id.*, 72; Shefley *vs.* Cowan, 91 U. S., 330).

We did not deny the right of the courts to deal with the possession of the land prior to the issue of the patent or to enforce contracts between the parties concerning the land. But it is impossible thus to transfer a title which is yet in the United States.

In the United States *vs.* Schurz (102 United States, 395) the court say:

The Constitution of the United States declares that Congress shall have the power to dispose of and make all needful rules and regulations respecting the territory and other property belonging to the United States. Under this provision the sale of the public lands was placed by statute under the control of the Secretary of the Interior. To aid him in the performance of this duty a bureau was created, at the head of which is the Commissioner of the General Land Office, with several subordinates. To them, as a special tribunal, Congress confided the execution of the laws which regulate the surveying, the selling, and the general care of these lands.

In Irvine *vs.* Marshall (20 How., 555) it was held that although a certificate may be the subject of bargain and sale, yet the United States can take care that conveyance shall be to him who is in good faith its vendee, and the court said:

A reception of the certificate of purchase as evidence of title may be regular and convenient as a rule of business, but it has not been anywhere established as conclusive evidence, much less has it been adjudged to forbid or exclude proofs of the real and just rights of claimants.

A mere declaration in writing by a vendor that the vendee has paid the purchase-price of land, and that he intends to give him a deed, is not a document purporting to convey title. (Osterman *vs.* Baldwin, 6 Wall., 116.)

Legal title does not pass by contract of purchase without deed, and one who holds or claims by contract only is not protected as a *bona fide* purchaser for value. (Boone *vs.* Chiles, 10 Pet., 177.)

It will not do for a purchaser to close his eyes to facts which are open to his investigation for the exercise of that diligence which the law imposes. Such purchasers are not protected. (Boush *vs.* Wall, 15 Pet., 111.)

Purchasers by quitclaim deed even are not regarded as *bona fide* purchasers without notice. (Oliver *vs.* Piatt, 3 How., 333; May *vs.* Le Clare, 11 Wall., 217; Dickerson *vs.* Colegrove, 100 U. S., 578.)

Party without title can not acquire it by payment of taxes on land. (Homestead Co. *vs.* Valley R. R., 17 Wall., 153.)

A purchaser of land must look to every part of the title which is essential to its validity. (Brush *vs.* Ware, 15 Pet., 112.)

States have no power to declare certificates of purchase of equal dignity with a patent. (Bagnell *vs.* Broderick, 13 Pet., 436.)

In Quinby *vs.* Cowlan (104 U. S., 420) the court say:

The laws of the United States prescribe with particularity the manner in which portions of public domain may be acquired by settlers. They require personal settlement upon the lands desired and their inhabitation and improvement, and a declaration of the settler's acts and purposes to be made in the proper office of the district within a limited time after the public surveys have been extended over the lands. By them a land department has been created to supervise all the various steps required to the acquisition of the title of the Government. Its officers are required to receive, consider, and pass upon the proofs furnished as to the alleged settlements upon the lands, and their improvement when pre-emptian rights are claimed, and, in case of conflicting claims to the same tract to hear the contesting parties.

The proofs offered in compliance with the law are to be presented, in the first instance, to the officers of the district where the land is situated, and from their decision an appeal lies to the Commissioner of the General Land Office, and from him to the Secretary of the Interior. For mere errors of judgment as to the weight of evidence on these subjects by any of the subordinate officers the only remedy is by an appeal to his superior of the Department. The courts can not exercise any direct appellate jurisdiction over the rulings of those officers or of their superior in the Department in such matters, nor can they reverse or correct them in a collateral proceeding between private parties.

In this case, the allegation that false and fraudulent representations as to the settlement of the plaintiff were made to the officers of the Land Department is negatived by the finding of the court. It would lead to endless litigation and be fruitful of evil if a supervisory power were vested in the courts over the action of the numerous officers of the Land Department on the mere questions of fact presented for their determination. It is only when those officers have misconstrued the law applicable to the case as established before the Department, and thus have denied to parties rights which, upon a correct construction, would have been conceded to them, or where misrepresentations and fraud have been practiced necessarily affecting their judgment, that the courts can in a proper proceeding interfere and refuse to give effect to their action. On this subject we have repeatedly and with emphasis expressed our opinion, and the matter should be deemed settled. (Johnson *vs.* Towsley, 13 Wall., 72; Shepley *vs.* Cowan, 91 U. S., 330-340; Moore *vs.* Robbins, 96 *ibid.*, 530.)

The doctrine applicable to the conclusive character of the solemn judgments of courts, with full jurisdiction over the parties, and the subject-matter, made after appearance, pleading, and contest by parties on both sides, can not be properly applied to the proceedings of the land office, where no issue is taken, no adversary proceedings had, no contest made, and the land officers act only on such evidence as claimant presents, with no means of controverting its truth. (United States Minor, 114 United States, 243.)

The quasi-judicial nature of the functions of land officers has reference only to cases in which individuals have, as against each other, contested the right to a patent before them. (*Id.*)

Where a patent has been obtained through mistake or by fraud and perjury, and there are no innocent holders for value, the legal title conveyed by the patent may be set aside in a court of equity. (*Id.*)

The principles settled by the courts are that the action of registers and receivers in admitting an entry of public lands is not conclusive, but is subject to review by the superior officers of the Land Department, by appeal in cases of contest between private parties, and as a matter of executive jurisdiction in cases not of individual contest; that the latter are cases between the Government and the entryman alone; that assignees before patent have no standing as innocent purchasers; that until patent issues on public-land entries the legal title to the land remains in the United States; that the Commissioner of the General Land Office may reject and cancel unpatented entries for illegality and fraud; that this is necessarily an act of executive jurisdiction; that the duties of supervising the disposal of public lands are executive duties and are not the subject of judicial interference; that the question of passing the title of the United States upon an entry of public lands under the public-land law is essentially a question of executive and not of judicial determination; that the point where the jurisdiction of the courts begin is the point at which executive jurisdiction ceases, namely, after patent has been issued, when, in a proper proceeding, the courts may intervene to correct the errors of executive action; and that it is only after the conveyance of legal title by patent that purchasers for value are protected by the courts.

The courts have often ruled that where the right to a patent has once become vested in a purchaser of public lands it is equivalent, so far as the Government is concerned, to a patent issued. (Stark *vs.* Starrs, 6 Wall., 402; Simmons *vs.* Wagner, 101 U. S., 260.) But none of these decisions hold that the certificate and receipt of the register and receiver is conclusive evidence that a right has vested, nor that a patent is not necessary for the conveyance of the legal title. In Myers *vs.* Croft (13 Wall., 291), the court says that the pre-emptor could sell after entry if he came up and made his proof and payment "with clean hands." But he must be in good faith the owner of the land and have "done nothing inconsistent with the provisions of the law on the subject."

The validity of a conveyance depends upon the validity of the entry, and that is always a proper subject of inquiry by the Land Department at any time before patent issues, and by the courts in a proper proceeding afterward.

In the case of Harkness *vs.* Underhill (1 Black., 316), counsel for plantiff urged that—

"The register and receiver having sold the land to Waters in conformity with the instructions of the Commissioner of the General Land Office had no further power or jurisdiction over it. Neither had the Commissioner of the General Land Office power to set aside the sale even for fraud. This could only be done by judicial authority."

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The necessity of "supervision and control," vested in the Commissioner acting under the direction of the President, is too manifest to require comment, further than to say that the facts found in this record show that nothing is more easily done than apparently to establish, by *ex parte* affidavits, cultivation and possession of particular quarter-sections of lands, when the fact is untrue. That the act of 1836 modifies the powers of registers and receivers to the extent of the Commissioner's action in the instance before us, we hold to be true. But if the construction of the act of 1836 to this effect were doubtful, the practice under it for nearly twenty years could not be disturbed without manifest impropriety.

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After the United States has parted with its title and the individual has become vested with it, the equities subject to which he holds it may be enforced, but not before. (Johnson *vs.* Towsley, 13 *Id.*, 72; Shefley *vs.* Cowan, 91 U. S., 330.)

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The Constitution of the United States declares that Congress shall have the power to dispose of and make all needful rules and regulations respecting the territory and other property belonging to the United States. Under this provision the sale of the public lands was placed by statute under the control of the Secretary of the Interior. To aid him in the performance of this duty a bureau was created, at the head of which is the Commissioner of the General Land Office with several subordinates. To them, as a special tribunal, Congress confided the executing of the laws which regulate the surveying, the selling, and the general care of these lands.

Congress has also enacted a system of laws by which rights to these lands may be acquired and the title of the Government conveyed to the citizens. This court has with a strong hand upheld the doctrine that so long as the legal title of these lands remained in the United States, and the proceedings for acquiring it were as yet *infieri*, the courts would not interfere to control the exercise of the power vested in their tribunal. To that doctrine we still adhere.

And again (*Id.*, 411):

The question whether any particular tract belonging to the Government was open to sale, pre-emption, or homestead right is in every instance a question of law as applied to the facts for the determination of those officers.

In Quinby *vs.* Cowlan (104 U. S., 420) the court say:

The laws of the United States prescribe with particularity the manner in which portions of public domain may be acquired by settlers. They require personal settlement upon the lands desired and their inhabitation and improvement, and a declaration of the settler's acts and purposes to be made in the proper office of the district within a limited time after the public surveys have been extended over the lands. By them a land department has been created to supervise all the various steps required for the acquisition of the title of the Government. Its officers are required to receive, consider, and pass upon the proofs furnished as to the alleged settlements upon the lands, and their improvement when pre-emption rights are claimed, and, in case of conflicting claims to the same tract, to hear the contesting parties.

In conclusion, it may and can with great propriety be said that the charges heaped upon Commissioner Sparks are totally groundless. To the poor and the homeless his acts have been of a special blessing; to fraud and dishonesty they have been of a blighting nature. To those who have the best interests of our country at heart, whose desire it is to see honesty and integrity the guides of official conduct, the acts of Commissioner Sparks will receive approval and hearty support.

Education.

That education is an object of national concern, and a proper subject of legislation, all admit.—*Chief-Justice Marshall*, 4 Wheaton, page 634, Supreme Court decision.

SPEECH

OF

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886.

On the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Mr. WHEELER said:

Mr. CHAIRMAN: I offer the amendment which I send to the desk.

The Clerk read as follows:

Add the following proviso:

"*Provided*, That before any bonds be purchased or redeemed under this resolution there be appropriated, from the surplus money in the Treasury, the sum of $10,000,000 each year, to aid in the support of common schools, and that such money shall annually be divided among and paid out in the several States and Territories in that proportion which the whole number of persons in each who, being of the age of ten years and over, can not read bears to the whole number of such persons in the United States. Such computation shall be made according to the census of 1880. Said schools to be under the supervision and control of the State officials in the States where located, and of the Territorial authorities where located in the Territories."

Mr. MORRISON. I make a point of order that the amendment is not germane.

Mr. WILLIS. I hope the gentleman from Alabama [Mr. WHEELER] will withdraw that proposition.

Mr. WHEELER. I am earnestly in favor of the object sought to be attained by the measure under consideration, but I can not concur with my distinguished friend from Illinois [Mr. MORRISON] that my amendment is not germane to the resolution. The design of the resolution is to pay off a portion of the interest-bearing debt of the Government with money now lying idle in the Treasury and wholly unproductive. It is to release and put in circulation the surplus now in the Treasury, and my amendment directs that a portion of any surplus shall be applied to the praiseworthy and necessary purpose of aiding common schools in all the States of the Union.

This statement of the object of the amendment will show my friend from Kentucky [Mr. WILLIS] its propriety and importance.

I am most decidedly in favor of making the most advantageous use of all the idle money that may be available for any purpose. It is a matter of plain business judgment. I read from the last official report showing the condition of the Treasury on July 1:

Cash in the Treasury July 1.

Available for reduction of the public debt:		
Gold held for gold certificates actually outstanding		$76,044,375 00
Silver held for silver certificates actually outstanding		88,116,225 00
United States notes held for certificates of deposit actually outstanding		18,250,000 00
Cash held for matured debt and interest unpaid		18,999,817 05
United States bonds and interest		3,789,163 51
Fractional currency		2,667 17
Total available for reduction of the debt		205,202,247 73
Reserve fund:		
Held for redemption of United States notes, acts January 14, 1875, and July 12, 1882		100,000,000 00
Unavailable for reduction of the debt:		
Fractional silver coin	$28,904,681 66	
Minor coin	377,814 00	
		29,282,495 66
Certificates held as cash:		
Legal-tender	250,000 00	
Gold	55,129,870 00	
Silver	27,861,450 00	
		83,241,320 00
Net cash balance on hand		75,191,109 95
Total cash in the Treasury as shown by Treasurer's general account		492,917,173 34

From this statement it appears that we now have in the Treasury, available for the reduction of the debt, about $200,000,000. The resolution provides that $100,000,000 of this surplus shall always be retained in the Treasury, but that any sum in excess of that amount shall be applied to the payment and retirement of the interest-bearing debt. This is a proposition which must command the unqualified assent of any good business man. There is not a clear-headed and reputable merchant or banker in the country who will not recognize the advisability of using all idle and unproductive money for the reduction of the obligations upon which interest is constantly accruing.

But while we recognize and make the necessary provision for our outstanding debt, let us not forget the important fact that we have other obligations beside those due the bondholder; there is a debt due the people—the most sacred for which the Government can be held. All civilized governments now recognize it as an important duty to assist in educating the children of the laboring people; and that our Government shall do this is specifically demanded in the platform of the Democratic party adopted at Chicago in 1884, the demand being expressed in these words:

We favor * * * the diffusion of free education by common schools, so that every child in the land may be taught the rights and duties of citizenship.

The purpose and the theory of this amendment is identical with the educational bill which I had the honor to introduce on the 21st day of December, 1885, and therefore I shall address the House upon this amendment precisely as though that bill was under consideration.

Mr. Chairman, I feel constrained by a sense of duty to my constituents and to the country at large to endeavor to impress upon the House my idea of the importance of this amendment, and the educational bill to our general welfare and prosperity.

In my humble judgment the question involved in this amendment and that bill is more important, more momentous in its relations to and bearing upon our future progress and prosperity than any that has engaged our attention during the entire session.

I appreciate as fully as can any gentleman the necessity for some carefully prepared and well-considered measures of revenue and administrative reform. Such measures are, I concede, of very great importance, for in them are involved the questions of economy, wisdom, and efficiency in all the public departments.

But in the educational measure we are confronted with the vital, the overshadowing question of the stability of the form of Government established by our forefathers, and upon which depends the perpetuity of free institutions among men.

For this reason, sir, I desire to enter my most earnest and emphatic protest against the adjournment of this House before it has enacted some bill of this character into a law.

THE POINTS IN THE CASE.

In asking the attention of the House to this subject I shall endeavor briefly to show:

First. That the theory of the educational bill has been the theory of our Government from its first inauguration.

Second. That the theory of this bill was fully recognized and continually acted upon by the Continental Congress.

Third. That all our early Presidents heartily concurred in and earnestly advocated the principle upon which this bill is based.

Fourth. That all governments have of late years recognized as an indisputable principle of governmental action the fact that for a country to become prosperous and great it is necessary to educate the people.

Fifth. That this law is necessary to equalize the benefits and advantages conferred by the General Government—some States having received from fifty to sixty times as much as others.

Sixth. That this bill is advocated by our wisest, most patriotic, and sagacious citizens.

Seventh. That the purpose designed to be accomplished by this bill is essential to the highest prosperity of our people and the maintenance of that form of government under which they will be the recipients of the greatest blessings.

Eighth. That the bill in no wise contravenes the Constitution of the United States, but, on the contrary, according to the interpretations of that instrument by our highest judicial tribunal, is in strict conformity thereto.

Ninth. That the one ill-considered opinion and expression of Mr. Madison, in 1792, which has been so often iterated and reiterated by the opponents of this bill, has been refuted and rejected by our greatest Democratic statesmen, including Monroe, Calhoun, Jackson, and finally has been recanted, repudiated, and apologized for by Mr. Madison himself; and that it is this repudiated doctrine upon which the opponents of education base their arguments in their efforts to show that the measure is violative of the Constitution.

Tenth. That it is in strict conformity with the usages, principles, and demands of the Democratic party.

THE THEORY OF OUR GOVERNMENT.

Our forefathers came to this country for the purpose of founding a Government in which the people should rule. They abandoned luxurious homes and all the comforts and conveniences which had resulted from centuries of civilization to encounter and struggle with the hardships and dangers of a land covered with dense forests, traversed by wild beasts, and inhabited by savage Indians.

All they expected in return for their dangers, privations, and sufferings was the privilege to worship God according to the dictates of their conscience, and to establish a government which would restrain vice and encourage virtue. To accomplish this great and God-like purpose, they declared as the cardinal doctrine of their new government that all men are created free and equal; and to maintain freedom, they appreciated the necessity that all should enjoy the blessings of education.

Before leaving Europe schoolmasters were procured for every vessel, and classes were established and maintained on shipboard during the voyage. One of the first acts of the colonists was to enact laws donating both money and lands for educational purposes; and during the early period of American settlements as much as one-fourth of the income of some of the colonies was devoted to the maintenance of public schools. In addition to primary schools, grammar schools were established in many parts of New England. Harvard College was founded in 1638, William and Mary in 1693, and Yale in 1701.

During the war of the Revolution a temporary check was given to the pursuit of learning; but its importance was early considered upon the return of peace, and one of the first laws enacted by the Colonial Congress was to set apart one thirty-sixth of the great western domain for the advancement of this object.

LAWS OF THE COLONIAL CONGRESS.

As chairman of the committee on the organization of the Western Territory, in the Congress of the Confederation, Mr. Jefferson, in May, 1784, made a report upon that subject, in which it was provided:

That there shall be reserved the central section of every township for the maintenance of public schools, and the section immediately adjoining the same for the support of religion.

The proposition to provide in any way for the support of religion excited some opposition, and after debate that proviso was stricken out. A year later, after mature consideration, the Congress enacted a law on May 20, 1785, in which it was provided:

There shall be reserved lot No. 16 of every township for the maintenance of public schools.

I read from the Journal of the American Congress, volume 4, April 1, 1782, to November 1, 1788, pages 520 and 521, containing proceedings of May 20, 1785:

Congress proceeded with third reading of the ordinance for ascertaining the mode of disposing of lands in the Western Territories, and the same being gone through was passed, as follows:

* * * * * * * *

"There shall be reserved the lot No. 16 of every township for the maintenance of public schools within said township; also, one-third part of all gold, silver, lead, and copper mines to be sold or otherwise disposed of, as Congress shall hereafter direct." * * *

RICHARD H. LEE, *President.*

The vote of the Colonial Congress upon this measure was unanimous.

The report of the committee upon the ordinance, dated July 23, 1787, to provide for the sale of the Western Territory, ordered:

That the lot No. 16 in each township, or fractional part of a township, be given perpetually for the purpose contained in said ordinance (the ordinance of May 20, 1785).

The ordinance passed during the same month for the government of the "Territory of the United States northwest of the River Ohio" contained these words:

ART. 3. Religion, morality, and knowledge being necessary to good government and the happiness of mankind, schools and the means of education shall be forever encouraged.

It is worthy of note that Mr. Madison was a member of the committee which reported the ordinance of July 23, and was one of its most ardent advocates.

It is interesting to find that the ideas of our colonial fathers on the subject of education were deeply impressed upon the minds of the founders of our Government under the Constitution. Nearly every one of the principal actors in the stirring events which resulted in the separation of the colonies from the mother country, the establishment of our independence, and the formation of a more durable Government under the Constitution were open, bold, and persistent champions of the theory that education was not only important but indispensable to the welfare of a free people, and that it was the duty of the Government to provide the means of acquiring an elementary education to those of its citizens who were unable to provide it for themselves.

WASHINGTON AND ADAMS ON EDUCATION.

General Washington, in his first message to Congress, says:

Knowledge is in every country the surest basis of public happiness. In one in which the measures of government receive their impressions so immediately from the sense of the community as in ours, it is proportionately essential.

In his eighth annual message, he recommended the establishment of a national university and of a national military academy, and in his farewell address he again reverts to this subject in a most impressive manner, for he says:

Promote, then, as an object of primary importance, institutions for the general diffusion of knowledge. In proportion as the structure of a government gives force to public opinion, it is essential that public opinion should be enlightened.

Mr. John Adams, who succeeded Washington, though a Federalist, unable to bring himself to believe or trust in the intelligence, virtue, or integrity of the great mass of mankind, could yet recognize the advantages of state education in making better citizens and benefiting the whole people of the entire country, and was quite as earnest as his predecessor in his advocacy of general education. In his work on government, he said:

Laws for the liberal education of youth, especially of the lower class of people, are so extremely wise and useful that, to a humane and generous mind, no expense for this purpose would be thought extravagant.

Just before his death he wrote to a committee of the Kentucky Legislature in these words:

The wisdom and generosity of your Legislature in making liberal appropriations in money for the benefit of schools, academies, colleges, and the university is an equal honor to them and their constituents, a proof of their veneration for literature and science, and a portent of great and lasting good to North and South America and to the world. Great is truth, great is liberty, and great is humanity, and they must and will prevail.

THE APOSTLE OF DEMOCRACY ON EDUCATION.

Jefferson, the author of the Declaration of Independence, the great apostle of the democratic theory of the equality of man and of his inherent and inalienable right to self-government, was ever an earnest, eloquent, and efficient advocate of education by the State.

As a member of the Virginia Legislature he prepared and introduced three bills for State education, the first of which related solely to common schools.

The preamble to this bill is so cogent and unanswerable a presentation of the reasons why the measure now under consideration should be supported that I quote it:

Whereas it appeareth that however certain forms of government are better calculated than others to protect individuals in the free exercise of their natural rights, and are at the same time themselves better guarded against degeneracy, yet experience has shown that even under the best forms those intrusted with power have, in time, and by slow operations, perverted it into tyranny; and it is believed that the most effectual means of preventing this would be to illuminate as far as practicable the minds of the people at large, and more especially to give them knowledge of those facts which history exhibiteth that, possessed thereby of the experience of other ages and countries, they may be enabled to know ambition under all its shapes, and prompt to exert their natural powers to defeat its purposes; and

Whereas it is generally true that the people will be happiest whose laws are best, and are best administered, and that laws will be wisely formed and honestly administered in proportion as those who form and administer them are wise and honest; whence it becomes expedient for promoting the public happiness that those persons whom nature hath endowed with genius and virtue, should be rendered by liberal education worthy to receive and able to regard the sacred deposits of the rights and liberties of their fellow-citizens, and that they should be called to that charge without regard to wealth, birth, or other accidental condition or circumstance; but the indigence of the greater number disabling them from so educating at their own expense those of their children whom nature hath fitly formed and disposed to become useful instruments for the public, it is better that such should be sought for and educated at the common expense of all than that the happiness of all should be confided to the weak or wicked.

Mr. Jefferson, in his sixth annual message, opposing the removal of the tax on imports, uses these words:

Patriotism would certainly prefer its continuance and application to the great purposes of the public education, roads, rivers, and canals.

In his eighth annual message, in discussing the surplus revenue in the Treasury, he uses these words:

Shall it lie unproductive in the public vaults? Shall the revenue be reduced? Or shall it not rather be appropriated to the improvements of roads, canals, rivers, education, and other great foundations of prosperity and union, under the powers which Congress may already possess, or such amendment of the Constitution as may be approved by the States?

Mr. Jefferson was deeply interested in the schools of Virginia, and proposed a system which is expressed in these words:

First. Elementary schools, for all children generally, rich and poor. Second. Colleges for a middle degree of instruction, calculated for the common purposes of life, and such as would be desirable for all who were in easy circumstances. And third, an ultimate grade for teaching the sciences generally and in their highest degree.

I find in Jefferson's work (Volume VI, page 517) a letter to Mr. Yancey dated January 6, 1816, in which he says:

If a nation expects to be ignorant and free in a state of civilization, it expects what never was and never will be. The functionaries of every government have propensities to command at will the liberty and property of their constituents. There is no safe deposit for these but with the people themselves;

nor can they be safe with them without information. Where the press is free and every man able to read, all is safe.

In the same volume, page 566, I find a letter to Governor Nicholas, dated April 2, 1816, in advocacy of elementary education. He says:

My partiality for that division is not founded in views of education solely, but infinitely more as the means of a better administration of our Government and the eternal preservation of its republican principles.

In a letter to Mr. Cabell dated November 28, 1820 (see Jefferson's works, Volume XVII, page 187), Mr. Jefferson said that—

More money from the people was not needed, but that the money raised for education should be employed understandingly and for the greatest good.

He also said:

That good requires that, while they are instructed in general competently to the common business of life, others should employ their genius with necessary information to the useful arts, to inventions for saving labor and increasing our comforts, to nourishing our health, to civil government, military science, &c.

Would it not have a good effect for the friends of this university—

University of Virginia—

to take the lead in proposing and effecting a practical scheme of elementary schools, to assume the character of the friends rather than the opponents of that object?

In the same letter Jefferson said:

Surely Governor Clinton's display of the gigantic efforts of New York toward the education of her citizens will stimulate the pride as well as the patriotism of our Legislature, to look to the reputation and safety of their own country, to rescue it from the degradation of becoming the Barbary of the Union, and of falling into the ranks of our own negroes. To that condition it is fast sinking. * * *

MADISON'S VIEWS OF ITS IMPORTANCE.

Madison, who was called the father of the Constitution, who was one of the originators of the idea and was more active than any of his associates in framing that great instrument, and who, therefore, it may be reasonably supposed, understood more fully than any one man who ever lived the full extent of the powers granted by the Constitution to the General Government, and the limitations imposed by that instrument under which those powers were to be exercised, steadfastly and earnestly upheld the idea that the education of the people was one of the first and most important duties of the Government.

I have shown that on May 23, 1785, the Continental Congress enacted a law which gave every sixteenth section in the public domain for the maintenance of public schools, and Mr. Madison was one of the members of the committee of the Congress which, in July, 1787, unanimously recommended that this donation, or grant, be made perpetual.

Mr. Madison stepped from the halls of the Colonial Congress into the convention which framed our present Constitution, and immediately upon the conclusion of its labors was elected a member of the first Congress held under the Constitution, and was re-elected to the second, third, and fourth Congresses, and with all the debates and discussions touching the duties and powers of the General Government under the Constitution fresh in his mind, all of his utterances—speeches or letters—prove him to have been a staunch advocate of popular education by the General Government.

And yet many of the opponents of this measure have endeavored to find in Mr. Madison's speech on the cod-fisheries a denial of the right of the General Government to make appropriations to assist in the cause of education.

Passing by, for the time being, the constitutional questions raised by this speech of Mr. Madison—which I propose to consider in another part of my argument—I beg now to call the attention of the House to other well-known utterances of this eminent constitutional authority upon the question of Government aid to education. My object in doing this is to enable gentlemen to constrast these utterances with this isolated expression regarding a bounty to a special industry.

On March 4, 1809, President Madison delivered his inaugural address, and alluding to the principles by which he pledged himself to be governed, he said:

To favor in like manner the advancement of science and the diffusion of information as the best aliment to true liberty.

In his second annual address he was, if possible, more emphatic, enforcing the importance of general education and the establishment of a national university. He said:

While it is universally admitted that a well instructed people alone can be permanently a free people, and while it is evident that the means of diffusing and improving useful knowledge form so small a proportion of the expenditures for national purposes, I can not presume it to be unreasonable to invite your attention to the advantages of superadding to the means of education provided by the several States a seminary of learning instituted by the National Legislature, within the limits of their exclusive jurisdiction, the expense of which might be defrayed or reimbursed out of the vacant grounds which have accrued to the nation within those limits.

During Mr. Madison's entire life the subject uppermost in his mind seems to have been the great importance of education. In volume 3, page 276, of Madison's works, I find a letter to Mr. Barry, under date of August 4, 1822, in which he says:

The liberal appropriations made by the Legislature of Kentucky for a general system of education can not be too much applauded. A popular government without popular information, or the means of acquiring it, is but a prologue to a farce or tragedy, or perhaps to both. Knowledge will forever govern ignorance; and a people who mean to be their own governors must arm themselves with the power which knowledge gives.

I also read from the same volume, page 523, a paragraph from a letter from Mr. Madison to Mr. Teakle, dated March 29, 1826:

The best service that can be rendered a country, next to that of giving it liberty, is in diffusing the mental improvement equally essential to the preservation and the enjoyment of the blessing.

MONROE AND QUINCY ADAMS ON EDUCATION.

On March 4, 1817, Mr. Monroe delivered his inaugural adddress, in which he said:

Had the people of the United States been educated in different principles; had they been less intelligent, less independent, or less virtuous, can it be believed that we should have maintained the same steady and consistent career or been blest with the same success? While, then, the constituent body retains its present sound and healthful state everything will be safe. * * * It is only when the people become ignorant and corrupt, when they degenerate into a populace, that they become incapable of exercising the sovereignty. Usurpation is an easy attainment and an usurper soon found. The people themselves become the willing instruments of their own debasement and ruin. Let us look to the great cause and endeavor to preserve it in full force. Let us by all wise and constitutional measures promote intelligence among the people as the best means of preserving our liberties.

John Quincy Adams, in his inaugural address, March 4, 1825, emphasized and reiterated the recommendations regarding education made by Washington, Adams, Jefferson, Madison, and Monroe. He discussed the specific power of Congress under the Constitution, and said:

If these powers and others enumerated in the Constitution may be effectually brought into action by laws promoting the improvement of agriculture, commerce, and manufactures, the cultivation of the mechanic and of the elegant arts, the advancement of literature, and the progress of the sciences, ornamental and profound—to refrain from exercising them for the benefit of the people themselves would be to hide in the earth the talent committed to our charge, would be treachery to the most sacred of trusts.

In 1805, soon after the acquisition of Louisiana, the Territory of Orleans petitioned Congress for a grant of lands for public schools. The committee of the House of Representatives made their report on February 27, 1806, which I read from American State Papers, Public Lands, volume 1, page 258:

Your committee are of opinion that it ought to be a primary object with the General Government to encourage and promote education in every part of the Union, so far as the same can be done consistent[ly] with the general policy of the nation and so as not to infringe the municipal regulations that are or may be adopted by the respective State authorities on this subject.

The benefits resulting to society in general from the establishment and support of public institutions for the education of youth and the general diffusion of science, are too well known to all discerning persons to require any particular investigation on the present occasion. The National Legislature has by several of its acts on former occasions evinced in the strongest manner its disposition to afford the means of establishing and fostering, with a liberal hand, such public institutions.

WEBSTER AND PRENTISS.

In his celebrated speech of January 26, 1830, Mr. Webster referred to the ordinance of the Continental Congress of 1787, in these words:

It set forth and declared it to be a high and binding duty of government itself to support schools and advance the means of education, on the plain reason that religion, morality, and knowledge are necessary to good government and to the happiness of mankind.

In another speech, Mr. Webster said:

Education comprehends all that series of instruction and discipline which is intended to enlighten the understanding, correct the temper, and form the manners and habits of youth and fit them for usefulness in their future stations.

Sergeant S. Prentiss, one of the ablest lawyers and most eloquent speakers our country has produced, fully realized the necessity of providing means for educating a people who were charged with the responsible duty of perpetuating free institutions. In a speech delivered in New Orleans in December, 1846, this profound thinker and brilliant speaker expressed his convictions upon this point in these emphatic words:

The principle that society is bound to provide for its members education as well as protection, so that none need be ignorant except from choice, is the most important that belongs to modern philosophy. It is essential to a republican government. Universal education is not only the best and surest, but the only sure foundation for free institutions. True liberty is the child of knowledge; she pines away and dies in the arms of ignorance.

The written and spoken opinions of these thoughtful, earnest, great men show that in their view education includes moral and religious, as well as physical, scientific, and literary training.

Education is the guide to progress, and no civilization is worth having which does not crystallize around Christian virtue.

Knowledge is freedom.
Knowledge is power.

INTELLIGENCE RULES THE WORLD.

When the Assyrian Empire was most cultured it was most powerful. When the Medo-Persians became most learned they overran and destroyed the Assyrians.

When learning made the Greeks most powerful they annihilated the Medo-Persians, and, finally, when learning elevated the Roman barbarian into greatness, Greece was conquered by victorious Rome.

While this intellectual struggle was in progress between Syria, Greece, and Rome, Germany and England were inhabited by barbarians as savage and ignorant as the natives of Central Africa to-day.

This idea was very forcibly put by Disraeli, who, when reproached on account of his Jewish extraction, retorted that he was proud of, gloried in, the knowledge that while his assailants' ancestors were savage, half-naked barbarians, living in holes in the ground, his (Disraeli's) ancestors were lawgivers and princes among the most intelligent and greatest nation on earth.

But we need go so far back for proofs upon this subject. Alabama has fertile soil and rich and abundant minerals. The soil of little Massachusetts is barren and her minerals are of little value. Yet her wealth is five times ours, and in comparison to the extent of her area her

wealth is fifty times as great as ours. While there are many reasons for this, education has had a great deal to do with it.

The same disproportion exists between the wealth of Alabama and that of Rhode Island. Give Alabama boys the same chance for education as is enjoyed by the boys of Rhode Island and Massachusetts, and I will guarantee that in twenty years the wealth of Alabama will exceed that of both these States combined. And if God spares my life I shall never cease my efforts until Alabama is as rich, prosperous, and happy as any State in the Union, and I believe that to reach this condition she must educate her children.

UNEQUAL DISTRIBUTION OF BENEFITS.

For one hundred years it has been the policy of our Government to aid public schools. The donations, however, have been very unequal. Sometimes land has been donated and sometimes money has been given to States. The belt of Southern States, including Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia, received in land 4,321,576 acres. These States had in 1880 a population of 13,665,654, and therefore were given less than one-third of an acre per capita. The belt of Northern and Northwestern States and Territories, and Texas, namely, California, Colorado, Kansas, Minnesota, Nebraska, Nevada, Texas, and Oregon, and Arizona, Dakota, Idaho, Montana, New Mexico, Utah, Washington and Wyoming Territories, received 112,893,919 acres.

The population of these States and Territories was, according to the last census, 5,723,994; which shows that they received 20 acres for each inhabitant. We therefore see that the States and Territories last enumerated have received sixty times as much land per capita as the Southern States first mentioned.

As might be expected there is less illiteracy in the States where the grants have been liberal than in those States where they have been meager, and the proposed appropriation upon the basis of illiteracy tends in a slight degree to make compensation for the unjust and unequal distribution heretofore made.

Millions of acres of land have been sold and the money placed in the Treasury, and this bill seeks to appropriate a portion of this money for educational purposes.

It would be presumed that the States which have been given the liberal amounts would be willing to do justice to those States which have been neglected, but it is painful to see that some of them are most determined in their opposition to any measure having for its object a tendency to equalize these benefits.

THE SOUTH ACQUIRED THE DOMAIN.

The States which need this bounty at present furnished the men who contributed more than all others toward acquiring the vast territory which has rendered these liberal grants possible. Southern Presidents—Jefferson, Monroe, and Polk—acquired for us these vast territories.

	Acres.
The Louisiana purchase	756,961,200
Florida	37,931,520
Under the treaty of Guadalupe Hidalgo	334,443,520
Total acres	1,129,336,240

It was the brave men from the extreme Southern States who formed the greater part of the army which won on the battlefields of Mexico a very large part of this vast domain.

While there are very many people in the prosperous States who advocate this measure, yet, I regret to say, there are some who oppose it with unrelenting bitterness, and, what is still more painful, they endeavor to deceive our own people by false representations regarding the proposed law.

In 1836, just a half a century ago, there was a surplus in the Treasury, and under the act of June 23, 1836, $28,104,464.91 was distributed to the States, and all or nearly all of this fund was used for public schools, and formed in many States the basis of the system of education which has made them great and prosperous.

Our average receipts from 1830 to 1840 were but $30,461,109, while of late the revenues of the Government have in single years exceeded $400,000,000. It is easily seen, therefore, that the cash distribution of surplus funds in 1836 was relatively more than twelve times as great as the amount asked to be appropriated by this bill. If that law, recommended by Andrew Jackson, was right then, certainly a similar law appropriating less than one-twelfth of the proportionate amount can not be wrong.

But this bill provides that the appropriation shall be distributed over a period of eight years; therefore the sum taken from the Treasury under the law of 1836 was relatively about one hundred times greater than the sum proposed to be appropriated during any one year under the provisions of this bill.

THE BILL MISREPRESENTED.

The enemies of the bill falsely tell the Southern people that it provides for mixed schools. This is absolutely untrue. It specially provides for separate schools. The bill does not establish or control any school. It simply provides money to aid the schools established by the States. The schools are to be controlled by the State and county officials in every respect as they are now.

It is simply a donation of nearly $6,000,000 to Alabama and large amounts to other States which have not received their equitable quota.

This is just and right.

Some States have heretofore received more than Alabama, and this law tends to equalize the fund. Alabama did not refuse her share of the $28,104,464.91 in 1836, and she will not refuse her share of the $77,000,000 appropriated to aid common schools by this bill. It taxes our patience, equanimity, and sense of decorum to listen to arguments against this bill by gentlemen from California, Colorado, Nevada, and Texas when we recall the fact that the first-named State has received from the people of the United States in aid of her public schools relatively more than twelve times as much as Alabama, and that the last-named State has received, for the same purpose, more than fifty times as much.

The impatience and intolerance naturally provoked by the opposition of these States to this is likely to be emphasized, if not intensified, by the further reflection that the addition of these States to the Union and of an immense area of territory beside, was principally the work of Southern men in support and defense of Southern policy.

When Texas sought to establish her independence of Mexico, we of the South rushed to her assistance and gave our best blood in her defense and to secure her freedom.

TEXAS SHOULD NOT OPPOSE IT.

The joint resolution under which Texas was empowered to retain control of her own public lands was carried by the votes of Southern men and was approved by a Southern President. By this resolution the splendid Lone Star State was invested with the control of at least 150,000,000 acres of land, not less than one-third of which—worth $200,000,000—has been used or is now available to foster and develop her system of public schools.

We rejoice in and congratulate Texas upon the magnificent results of her school policy and measures, but at the same time we hope her representatives will be sufficiently just and generous to vote with us for a measure which promises to give us an insignificant fraction of the immense benefits she has enjoyed, principally by and through our means.

And we are not merely hopeful upon this point, we are confident that such will be the final result. The generosity of the people of Texas has long since become proverbial, and her able and distinguished representatives upon this floor are known to represent the traits and characteristics of their constituents as faithfully as they guard their interests. This appeal for justice and generosity applies with almost equal force to the States of California, Colorado, and Nevada.

The opponents of this bill claim to have just made the discovery that such measures as the one under discussion are not constitutional.

They flatter and praise our constitutional scruples, and contend that Southern men are too noble and generous, too earnestly devoted to the doctrine of State-rights to wish aid from the Federal Government.

By this and similar methods in times past many Southern men have been induced to oppose appropriations for the improvement of their rivers and harbors.

In such cases the further argument was advanced that the money to improve our rivers and harbors would be spent under the supervision of a Federal officer, who, coming into our States under authority from the General Government, assumed personal and direct control of all work done under such appropriations. Vain and foolish men contended that this was an invasion of the principle of "State-rights."

The new South has conquered this opposition, and without hesitation recognizes the fact that unless her rivers and harbors are improved by the General Government they will remain as they were when navigated by the Indians in their canoes, and that so long as our water navigation is obstructed we never can overtake the prosperous North which has received such munificent aid of this character.

Now, since the South is willing and anxious to receive such aid, and to have the works controlled by the Federal Government or its officers, is it not a direct insult to the intelligence of the Southern people to attempt to defeat the educational bill by the assertion that the South does not wish it?

SOUTHERN PEOPLE NEED AND WISH IT.

It has been contended here that the people of none of the Southern States desire the passage of this measure, and some Northern gentlemen give that as their only reason for opposing it, producing letters from prominent Southerners in support of their position. Many of them say: I admit the bill to be just; I admit that the insignificance of the aid extended to the South as compared with the benefits conferred upon many States of the North would constrain me to vote for the bill had I not been impressed with the belief that the South does not want it. Many of them say: Prove to us that the South really desires the success of this measure and we will give it our support.

In reply to these gentlemen I assert that the South does want it; she needs it; she demands it. A gallant, struggling people, yearning for the fountain of knowledge, beseech you to accord them this just and necessary measure.

She has never been backward in her duty. Whether in poverty or prosperity she has paid her tribute to the Federal Treasury. Her sons have always been prompt to give their blood in her defense. Nearly

a century and a half ago Southern men hastened to the defense of the Western settlers in the French and Indian wars. It was Southern men who started to Massachusetts the day they heard of the conflicts at Lexington and Concord. It was Southern men who were most lavish in their devotion during the war of 1812, in the many Indian conflicts, and in the war with Mexico, and even in the conflict of 1861-'65 Southern States gave as many men to the Federal as they did to the confederate army.

It is men of this character who now ask aid in the cause of education.

How can it be said on this floor that they do not wish it, when the records emphatically show the contrary?

HISTORY OF THE PRESENT BILL.

On January 16, 1882, I introduced a bill in Congress which appropriated $100,000,000 for this purpose. It provided that the State officials should control the fund, and have exclusive control of the schools. On January 15, 1883, a resolution was introduced fixing a day to consider the bill as reported to the House by the Committee on Education. A second was demanded, and 117 members voted for the measure, and only 11 against it. (See CONGRESSIONAL RECORD, Forty-seventh Congress, page 1202.) The vote was then taken upon the resolution, and the affirmative vote was increased to 129. I was present, and state of my own knowledge, that on both votes the measure was favored by nearly every Southern Democrat except the gentleman from Texas.

In the Forty-eighth Congress Senator BLAIR introduced a similar bill which was referred to a committee of which Senator PUGH was a member. Mr. BLAIR recognized the fact that the South would, necessarily, be the largest beneficiary of the bill, and in his solicitude to have his bill so framed as to secure the accomplishment of the greatest possible good, and be, in all respects, entirely acceptable to the South, he requested Senator PUGH to make such changes in the bill as he thought necessary to secure the purpose he had in view. In compliance with this request Mr. PUGH undertook the revision of the bill, and the measure generally known as the "Blair bill" was reported to the Senate in the handwriting of that eminent Southern Democrat. This bill passed the Senate on April 7, 1884, being supported by the following Southern Democratic Senators:

Brown,	Hampton,	Pugh,	Lamar,
Call,	Jackson,	Ransom,	Vance,
Colquitt,	Jonas,	Williams,	Walker.
Garland,	Jones of Florida,	Gibson,	
George,	Kenna,	Camden,	

(The last five being supporters of the measure, but "paired" with the same number who opposed it.)

A STAB AT THE MEASURE.

On January 23, 1885, Mr. Hurd introduced a resolution, which I will read (RECORD, page 1058):

Whereas certain bills, appropriating money from the Treasury of the United States, originating in the Senate, have passed that body, and have been sent to this House for its concurrence, which are now upon the Speaker's table, to wit, Senate bill No. 398, entitled "A bill to aid in the establishment and temporary support of common schools" and many others; and

Whereas it is asserted that these bills are in violation of the privilege of this House to exclusively originate bills for raising revenue: Therefore,

Be it resolved, That the Committee on the Judiciary be hereby directed to inquire into the power of the Senate to originate bills appropriating money from the Treasury of the United States, and report to this House at as early a day as practicable. And said committee shall have leave to report at any time.

This was a direct stab at the educational bill. The resolution was supported by all of its enemies, and also by some of its friends, who desired the success of the bill, but were yet jealous of the action of the Senate in originating the bill, which they regarded as an invasion of the exclusive rights of the House. A motion was then made to table the resolution, which was voted for by the following Southern Democrats, who thus gave emphatic and unmistakable expression to their advocacy of the bill:

Ballentine,	Covington,	Hemphill,	Reese,
Barbour,	Cox, W. R.	Herbert,	Talbott,
Bennett,	Crisp,	Hewitt, G. W.	Taylor, J. M.
Blackburn,	Davidson,	King,	Vance,
Blanchard,	Dibble,	Lewis,	Warner,
Bratton,	Dibrell,	Money,	Williams,
Breckinridge,	Ellis,	Nicholls,	Willis,
Buchanan,	Finley,	Oates,	Wise, G. D.
Cabell,	Forney,	O'Ferrall,	Wolford.
Candler,	Garrison,	Peel,	
Clements,	Hammond,	Pierce,	

Had I been a member of that Congress I should certainly have voted with these Southern Democrats.

Upon the first call of the States in the Forty-ninth Congress I introduced the bill (H. R. 43) to aid common schools which I will read:

A bill to aid in the temporary support of common schools.

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That for eight years next after the passage of this act there shall be annually appropriated from the money in the Treasury the following sums, to wit: The first year the sum of $7,000,000, the second year the sum of $10,000,000, the third year the sum of $15,000,000, the fourth year the sum of $13,000,000, the fifth year the sum of $11,000,000, the sixth year the sum of $9,000,000, the seventh year the sum of $7,000,000, the eighth year the sum of $5,000,000; which several sums shall be expended to secure the benefits of common-school education to all the children of the school age mentioned hereafter living in the United States.

SEC. 2. That such money shall annually be divided among and paid out in the several States and Territories in that proportion which the whole number of persons in each who, being of the age of ten years and over, can not read, bears to the whole number of such persons in the United States; such computation shall be made according to the census of 1880.

SEC. 3. That no State or Territory shall receive any of the benefits of this act until the governor thereof shall file with the Secretary of the Interior a statement, certified by him, showing the character of the common-school system in force in such State or Territory; the amount of money expended therein during the last preceding school year in the support of common schools, not including expenditures for the rent, repair, or erection of school-houses; whether any discrimination is made in the raising or distributing of the common-school revenues or in the common-school facilities afforded between the white and colored children therein, and, so far as is practicable, the sources from which such revenues were derived; the manner in which the same were apportioned to the use of the common schools; the number of white and the number of colored common schools; the average attendance in each class, and the length of the school term. No money shall be paid out under this act to any State or Territory that shall not have provided by law a system of free common schools for all of its children of school age, without distinction of race or color, either in the raising or distributing of school revenues or in the school facilities afforded: *Provided*, That separate schools for white and colored children shall not be considered a violation of this condition. The Secretary of the Interior shall thereupon certify to the Secretary of the Treasury the names of the States and Territories which he finds to be entitled to share in the benefits of this act, and also the amount due to each.

SEC. 4. That the amount so apportioned to each State and Territory shall be drawn from the Treasury by warrant of the Secretary of the Treasury, upon the monthly estimates and requisitions of the Secretary of the Interior as the same may be needed, and shall be paid over to such officers as shall be authorized by the laws of the respective States and Territories to receive the same.

SEC. 5. That the instruction in the common schools wherein these moneys shall be expended shall include the art of reading, writing, and speaking the English language, arithmetic, geography, history of the United States, and such other branches of useful knowledge as may be taught under local laws.

SEC. 6. That the money appropriated and apportioned under the provisions of this act to the use of any Territory shall be applied to the use of common and industrial schools therein by the Secretary of the Interior, unless said Territory shall have provided by law for the free common-school education of all its children of school age, without any distinction, for at least three months in each year, from the funds provided for schools under the laws of said Territory.

SEC. 7. That the design of this act not being to establish an independent system of schools, but rather to aid for the time being in the development and maintenance of the school system established by local government, and which must eventually be wholly maintained by the States and Territories wherein they exist, it is hereby provided that no greater part of the money appropriated under this act shall be paid out to any State or Territory in any one year than the sum expended by said State or Territory in the preceding year for the maintenance of common schools from money other than that appropriated under the provisions of this act.

SEC. 8. That a part of the money apportioned to each State or Territory, not exceeding one-tenth thereof, may yearly be applied to the education of teachers for the common schools therein, which sum may be expended in maintaining institutes or temporary training schools, or in extending opportunities for normal or other instruction to competent and suitable persons, of any color, who are without necessary means to qualify themselves for teaching, and who shall agree in writing to devote themselves exclusively, for at least one year after leaving such training schools, to teach in the common schools, for such compensation as may be paid other teachers therein.

SEC. 9. That no part of the educational fund allotted to any State or Territory by the first section of this act shall be used for the erection of school-houses or school buildings of any description, nor for rent of the same.

SEC. 10. That the moneys distributed under the provisions of this act shall be used only for common schools, not sectarian in character, in the school districts of the several States and Territories, in such way as to provide, as near as may be, for the equalization of school privileges to all the children of the school age prescribed by the law of the State or Territory wherein the expenditure shall be made, thereby giving to each child, without distinction of race or color, an equal opportunity for education. The term "school district" shall include all cities, towns, parishes, and other territorial subdivisions for school purposes, and all corporations clothed by law with the power of maintaining common schools.

SEC. 11. That no second or subsequent allotment shall be made under this act to any State or Territory unless the governor of such State or Territory shall first file with the Secretary of the Interior a statement, certified by him, giving a detailed account of the payments or disbursements made of the school fund apportioned to his State or Territory and received by the State or Territorial treasurer or officer under this act, and of the balance in the hands of such treasurer or officer withheld, unclaimed, or for any cause unpaid or unexpended, and also the amount expended in such State or Territory, as required by section 8 of this act, and also of the number of public, common, and industrial schools, the number of teachers employed, the total number of children taught during the year and in what branches instructed, the average daily attendance and the relative number of white and colored children, and the number of months in each year the schools have been maintained in each school district. And if any State or Territory shall misapply or allow to be misapplied, or in any manner appropriated or used other than for the purposes herein required, the funds, or any part thereof, received under the provisions of this act, or shall fail to comply with the conditions herein prescribed, or to report as herein provided, through its proper officers, the disposition thereof, and the other matters herein prescribed to be so reported, such State or Territory shall forfeit its right to any subsequent apportionment by virtue hereof until the full amount so misapplied, lost, or misappropriated shall have been replaced by such State or Territory and applied as herein required, and until such report shall have been made: *Provided*, That if the public schools in any State admit pupils not within the ages herein specified, it shall not be deemed a failure to comply with the conditions herein. If it shall appear to the Secretary of the Interior that the funds received under this act for the preceding year by the State or Territory have been faithfully applied to the purposes contemplated by this act, and that the conditions thereof have been observed, then the Secretary of the Interior shall distribute the next year's appropriation as is hereinbefore provided. The Secretary of the Interior shall have power to hear and examine any complaints of misappropriation or unjust discrimination in the use of the funds herein provided, and shall report to Congress the results thereof.

SEC. 12. That on or before the 1st day of September of each year the Secretary of the Interior shall report to the President of the United States whether any State or Territory has forfeited its right to receive its apportionment under this act, and how forfeited, and whether he has withheld such allotment on account of such forfeiture; and each State and Territory from which such apportionment shall be withheld shall have the right to appeal from such decision of the Secretary of the Interior to Congress.

SEC. 13. That there shall be appropriated, in addition to the sums appropriated by the first section of this act, the sum of $2,000,000, which shall be allotted to the several States and Territories on the same basis as the moneys appropriated in the first section, which shall be known as the school-house fund, and which shall be paid out annually to each State and Territory, at the end of the year, until said sum of $2,000,000 shall be exhausted, and no longer, to be expended for the erection and construction of school-houses for the use of pupils

attending the common schools in sparsely populated districts where the local communities shall be comparatively unable to bear the burdens of taxation. Such school-houses shall be built in accordance with modern plans, which plans shall be furnished free on application to the Bureau of Education, in Washington: *Provided, however*, That not more than $100 shall be paid from said fund toward the cost of any single school-house, nor more than one-half the cost thereof in any case; and the States and Territories shall annually make full report of all expenditures from the school-house fund to the Secretary of the Interior, as in case of other moneys received under the provisions of this act.

SEC. 14. That the Secretary of the Interior, through the Commissioner of Education, shall be charged with the practical administration of this act in those Territories which shall not have established by law a system of free common-school education as provided in section 6 of this act. He shall report annually to Congress its practical operation, and briefly the condition of common and industrial education as affected thereby throughout the country, which report shall be transmitted to Congress by the Secretary of the Interior, accompanying the report of his Department. And the power to alter, amend, or repeal this act is hereby reserved.

SEC. 15. That no State or Territory that does not distribute the moneys raised for common-school purposes equally for the education of all children, without distinction of race or color, shall be entitled to any of the benefits of this act.

THE BLAIR BILL REVISED BY SENATOR PUGH.

Simultaneously Mr. BLAIR introduced a bill, to aid in the support of common schools, in the Senate, which was unanimously reported from the Senate Committee on Education and Labor. It was similar to my bill in many respects, but did not contain the provision which is recited in section 13 in the measure introduced by myself. The bill as reported to the Senate was an exact copy of the bill prepared by Mr. PUGH in the previous Congress. While being discussed in the Senate it was amended by the addition of a provision almost identical with section 13 of the bill introduced by myself. The bill thus amended passed the Senate on March 5. Those Southern Senators present who voted for the bill in the Forth-eighth Congress again gave it their support, together with the following, namely: BERRY, BLACKBURN, EUSTIS, JONES of Arkansas, and WALTHALL. It will be observed, therefore, that the bill received the support of twenty-three Southern Democratic Senators.

As further evidence of the sentiment of Southern men on this subject I will read a resolution introduced by myself on March 22:

Mr. WHEELER submitted the following resolution; which was read, and referred to the Committee on Rules:

"Resolution directing the Committee on Rules to report a rule to the House, by which by a majority vote the House may instruct a committee in charge of a bill to report it back to the House.

"Whereas the Tenth Census of the United States shows that there are 6,239,958 persons in the United States over the age of ten years who can not write, and 4,923,451 over ten years of age who can not read; and

"Whereas during the first session of the Forty-eighth Congress a bill passed the Senate, by a vote of 33 to 11, to aid in the establishment and temporary support of common schools; and

"Whereas said bill was never acted upon by the House of Representatives; and

"Whereas during the present session of Congress, to wit, on the 5th day of March, 1886, the Senate passed another bill to aid in the establishment and temporary support of common schools, by a vote of 35 to 11; and

"Whereas said bill was engrossed and reported to the House of Representatives, and on the 9th day of March the Speaker laid before the House the said bill (namely, the bill S. 191) to aid in the establishment and temporary support of common schools, which was read twice and referred to the Committee on Education; and

"Whereas on the first day on which bills could be introduced in the present Congress, namely, on the 21st day of December, 1885, bill H. R. 43, to aid in the temporary support of common schools, was introduced, read twice, and referred to the Committee on Education, and ordered to be printed; and

"Whereas said committee has failed to make any report upon said bills; and

"Whereas the Legislatures of the States of Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Virginia, and West Virginia have passed resolutions requesting or directing their Senators and Representatives to aid in securing the passage of bills which seek to aid in the temporary support of common schools; and

"Whereas Christian and educational associations throughout the United States have adopted resolutions urging that Congress enact a law providing for the temporary support of common schools; and

"Whereas the superintendents of public instruction for the States of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, South Carolina, Tennessee, Virginia, and West Virginia have memorialized Congress, setting forth the immediate and pressing educational wants of the Southern States of the Union and praying for speedy action in aid thereof; and

"Whereas the passage of this bill is absolutely essential to the welfare of the children of citizens who are compelled to labor for low wages in farming and other occupations; and

"Whereas the non-action of the Committee on Education indicates that they will not make a report, as contemplated by the rules of the House, in time to secure action by the House during the present session; and

"Whereas it is the duty of a committee of this House to consider all bills referred to them and report them back to the House with a statement of their character, accompanied by the recommendation that such as they approve shall be passed and such as they disapprove shall not be passed: Therefore,

"*Be it resolved*, That the Committee on Rules be instructed to report a rule to this House by which it may by a majority vote direct any of its committees to report back any bill referred to them for consideration."

I will also read the joint memorial which was unanimously adopted by the Legislature of Alabama:

That the Senators and Representatives in Congress from this State be requested to secure the passage of a bill granting aid to education in the several States upon the basis of illiteracy, the amounts so appropriated to be applied by the several States through their superintendents of education.

WILBUR F. FOSTER,
Speaker of the House of Representatives.
GEO. P. HARRISON, JR.,
President of the Senate.

Approved December 11, 1882.

E. A. O'NEAL, *Governor.*

Hon. JOSEPH WHEELER,
House of Representatives.

SOUTHERN CONGRESSMEN SUPPORT THE BILL.

On March 29 a vote was taken to refer the Senate educational bill to the House Committee on Labor. Those who voted in the affirmative were advocates of an early consideration of the bill, and among them were the following-named Southern Democrats. Most of these distinguished Southern Democrats had expressed their approval of the bill itself in most emphatic terms:

Allen,	Croxton,	Herbert,	Rogers,
Ballentine,	Daniel,	Irion,	Sadler,
Barbour,	Davidson, R. H. M.	Johnston, T. D.	Singleton,
Barksdale,	Dibble,	Jones, J. T.	Snyder,
Barnes,	Dunn,	King,	St. Martin,
Barry,	Forney,	Martin,	Taulbee,
Blanchard,	Gay,	McCreary,	Taylor, J. M.
Breckinridge, C. R.	Gibson, Eustace,	McRae,	Trigg.
Cabell,	Glass,	Neal,	Turner,
Candler,	Green, W. J.	Norwood,	Wheeler,
Catchings,	Halsell,	O'Neill, J. J.	Willis,
Clements,	Hammond,	Peel,	Wise,
Cowles,	Harris,	Perry,	Wolford.
Cox,	Hemphill,	Reid, J. W.	
Crisp,	Henderson, J. S.	Reese,	

Who will insult this great body of Southern Democratic Senators and Representatives by maintaining that they advocate a bill which is objected to by Southern people?

Why, Mr. Chairman, the proposition is wholly untenable upon its face. There are a few men in the South who oppose educating the rising generation, but they are isolated adherents to and representatives of the exploded and abandoned theories and ideas of a by-gone age; loiterers on the highway of advancement who have voluntarily placed themselves far behind in the onward and upward march which is the distinguishing characteristic of this great age of progress and improvement.

These gentlemen also seem to have forgotten the principles upon which our Government was based. They have forgotten that we are all born free and equal.

They seem not to comprehend that every citizen of this Republic is a sovereign, and that in a government like ours, where all have sovereign power, all should be so educated that this sovereign power shall be wisely exercised.

ITS BENEFITS NOT LIMITED.

It has been objected by some of the opponents of this measure that, in effect, it calls upon the people of some parts of the country to pay out money for the exclusive benefit and advantage of those resident in other parts; that the people of the East, the North, the West, and the Northwest will, under the operation of this bill, be taxed to provide the means of educating the illiterates of the South, and that while they will have to furnish the greater part of the money, they will derive no corresponding benefit.

Sir, I deny this proposition *in toto*. Granting, for the sake of the argument, that the assumption is correct, that the greater part of the money to be expended under this bill in case it becomes a law will be supplied by the North, the East, and the West, I reject and utterly repudiate the conclusion that they will derive no benefit from the expenditure. It is simply impossible to raise the standard of intelligence in any portion of a free country without benefiting those of every portion.

In every land under the sun labor is the source of wealth, and this is especially the case in America. Here we may have a specially favored class who rejoice in the possession of immense fortunes—the bondholders, the railroad magnates, the monopolists of various kinds—but they add nothing, they can add nothing, to the sum of the general wealth of the country; they merely fatten upon the toil of others. With us, if nowhere else on earth, it is true that the only creator of wealth is he who labors. This being true, I take it for granted that no one will deny the proposition that the intelligent laborer, I care not whether the scene of his activity be in the factory, the mine, the field, or the workshop, will produce more wealth than the laborer who is not intelligent.

Supplement the brawn and muscle and endurance of the toilers of any portion of the country with the keen and comprehensive intelligence which education alone can bestow, and you necessarily add to their productive capacity, add to their productiveness, and of equal necessity you lighten the burdens which all must help to bear. Enable the laborers of the South to increase their products 25 per cent., and it must follow as a natural and unavoidable consequence that the rest of the country must participate in their increased prosperity. They will consume more of what is produced elsewhere, the interchange or exchange of commodities between the sections will be stimulated, every branch of industry become more thriving, and all must share in the improved condition of affairs which must be the result.

But disregarding for the moment any sordid considerations of mere pecuniary advantage to be gained by any augmentation of the sum of the productive power of any locality, and there will still remain vast and widespread benefits as the result of a more general diffusion of education.

Knowledge is the handmaid of virtue, sobriety, order, and thrift and the deadly foe to vice, crime, and lawless disturbances. Educate any people in any section and you make them better citizens, better neighbors, and purer patriots.

How can it be possible to bring about this result without benefiting every part of the country?

THE IMPORTANCE OF THE MEASURE.

If the decision of the House upon this amendment and the educational bill involved only a question of constitutional law or construction I should feel it incumbent upon me to leave the discussion entirely to those gentlemen whose reputation as constitutional lawyers has been universally recognized.

But, sir, in my opinion the questions to which our consideration is invited by this bill are of too much practical importance to our people, and particularly to the people of the section I have the honor to represent in part upon this floor, to permit me silently to contemplate the possibility of their being deprived of the benefits of this measure by strained constructions, if not palpable disregard of the provisions of the Constitution.

The scope and the limitations of the powers conferred upon Congress by the Constitution, what the General Government may lawfully do and what it can not lawfully attempt, are, I admit, questions of the utmost gravity and importance, and it would, no doubt, be highly advantageous to the country if we could reach some conclusion regarding them which would be accepted and acquiesced in by all men of all parties.

But, sir, suppose it were possible to convince all those who have differed upon these questions that their disagreements were unreasonable, to induce them to lay aside inherited prejudices, party antagonisms, political distrusts, and intellectual convictions, and bring all men to the point of admitting, with absolute unanimity, that there was but one possible construction of the Constitution; suppose this impossibility to have been acheived, what practical effect would such conclusion have upon the happiness and the prosperity of the great body of the people of the United States?

But the passage or the rejection of this measure must have a direct, positive, and practical effect upon the whole people of the United States. There is no city so large, no locality so prosperous, that will not be benefited by the success of this bill; there is no hamlet so insignificant, no community so wretched, that will not be injured by its defeat.

The opponents of the bill may regard this as the extravagant proposition of an enthusiast; but I think it is clearly within the limits of even my feeble powers to convince any fair-minded man that, though I avow myself an enthusiast upon this subject, the language I have uttered is that of truth, of soberness, and of sadness.

The question which we are called upon to decide by our action on this bill is vastly more important than any that has been, or is likely to be, submitted to this Congress. And I say this with a full realization of the responsibilities that rest upon us at this time. I do not underestimate our obligations to devise such measures as may relieve an oppressed and overburdened people from the weight of unjust, unequal, and unnecessary taxation; the pledges we have given to reform the administration of the General Government by abolishing superfluous offices and to reduce the expenditures to the lowest point compatible with efficiency in the various Departments. These are grave and most important duties, and the responsibility for their faithful performance is proportionately great.

But, sir, I maintain, that, serious as they are, they must be regarded as of only minor consequence when they are contrasted with the great consideration which underlies this bill. They relate to details in the financial administration of the Government; the purpose and object of this bill is to make it certain that we shall continue to have a government to administer. The object of this bill is to provide means for the dissemination of that knowledge without which no people can long be free.

IGNORANCE WRECKS REPUBLICS.

The pathway of time is strewn with the wrecks of republics and governments whose overthrow and ruin have been directly traceable to their failure to properly educate the masses of the people.

I do not propose to weary the House with a dissertation upon ancient or modern history, for the fact I have stated is too generally known, too universally admitted, to require proof. Every tolerably well informed school boy knows that the ignorance of the people has been the most fruitful source of the disasters that have overwhelmed the nations of the earth. The opponents of this bill believe, and I believe, that it is impossible for disaster from this source ever to overtake this people. But the very foundation of this belief, the ground for this assurance, is to be found in our reliance upon and confidence in the intelligence and the virtue of our people. And that intelligence must not be permitted to diminish; it must be widened, deepened, strengthened; and to secure this result the opportunities for acquiring knowledge must be augumented as our numbers increase.

Why are governments instituted among men?

This is an abstraction; the discussion and decision of which can not, by any possibility, add anything to the sum of human happiness or subtract anything from the wretchedness of a single individual.

But take the question, What is the principal duty of the Government to the citizen? and we pass at once from the field of abstract intellectual speculation into the domain of practical human interests, the decision of which is of vital interest and importance to every man, woman, and child from whom a government claims allegiance.

The first question may never be settled to the satisfaction of all who delight to exercise their faculties upon the elucidation of abstruse propositions, but the answer to the latter inquiry is a matter which comes directly home into the daily life of every individual member of a civilized community.

A man may get along through life very comfortably and very creditably without ever having attempted to find a solution of the vexed question, at what precise point does the obligation of the Government to the citizen absolutely terminate, but he will neither be prosperous himself nor contribute to the general prosperity if he be left in doubt as to the security of his person or property.

In all free countries, where liberty is something more than a name, men have differed and always will differ in their views as to the rightful scope, the legitimate functions of government. There will always be those who, like Hamilton and Adams, will insist that the government must be strong if the citizen would be secure, and fortunately for mankind there will also always be those who, like Jefferson, will endeavor to reduce the powers of government to the narrowest limits compatible with the duties it must discharge, and leave the individual free and untrammeled by any restraints not supplied by his intelligence, his virtue, and the laws which they have established for the general welfare.

ALL AGREE ON THIS QUESTION.

But whether they be followers of Hamilton or of Jefferson, there is one point upon which all freemen are agreed, and that is that the first and paramount duty of all government is to protect the citizen in his person and property.

However widely they may differ in opinion as to the rights and powers of the General Government, the Republicans and Federalists of 1800 and the Democrats and Republicans of 1886 meet upon this common ground. Whatever the extent of the powers intrusted to the General Government, and whatever the limitations under which these powers are to be exercised, the citizen has an undeniable right to expect that the Government will render him absolutely secure in his person and property.

This proposition is so obvious, its justice so manifest and so incontrovertible, that the failure of Government to afford this security is universally held to justify the overthrow of any system which has been shown to be unequal to its first and greatest obligation, and by the common consent of mankind the government which fails to afford this security is regarded as a despotism.

In a constitutional monarchy like England, or even in an imperial government like that of Germany or Austria-Hungary, the intelligence and the selfish interests of the ruling class were for centuries relied upon to furnish this security.

But in the last few decades this view has undergone an entire change, even in these imperial governments. They have found that security and stability are most certainly to be found in the education of the people. They have found also that education of the people supplies the surest road to prosperity; that an educated workman produces from ten to twenty times more wealth than an ignorant one. Therefore, as the ruling classes in these countries are the almost exclusive possessors of the wealth of the country, and, like all other men, they desired to increase their wealth, they have learned that their selfish interests as well as the general welfare of the country could be most effectually promoted by education, and the result has been—in two of these countries at least, Germany and England—the inauguration and development of a system of popular education which is to-day far superior to our own in its efficiency and in its results.

This having been the experience of such governments as I have mentioned, how much greater is the necessity for recognizing the principle in a government like ours, where the people themselves are the rulers, under which all power is derived from the people; in which the equality of all men before the law is the very corner-stone of the structure. The only guarantee we can have for the purity and perpetuity of our institutions is to be found in the intelligence, the prosperity, and the virtue of the people; and as an ignorant people can not be either intelligent or prosperous it is clearly the duty of the Government to see that the people be educated.

RULERS MUST BE EDUCATED.

With us the people must always govern themselves, and to make it certain that the best possible results of such government are attained the agencies the people have selected and intrusted with the powers we recognize as pertaining to government must be active in increasing the intelligence and strengthening the virtue of the people.

In other words, as the people are intrusted with their own government for their own good it is the bounden duty of the government to see that they are not governed by their own ignorance.

I assume that it will be admitted by all—by the opponents of this measure as well as by its advocates—that the primary and paramount duty of every government is to protect the persons and property of the individual members of the community for whose benefit the government exists. This being so, it follows by necessary consequence that

the government is bound to adopt those measures, to pursue that line of policy which promises to be most effectual in securing this object.

This brings us face to face with the important question, What is the most effectual means of protecting the persons and property of the community?

Unhesitatingly and confidently I reply—the education of the people.

The opinions of the profoundest thinkers, the greatest philosophers, the brightest essayists, the most gifted poets, the leaders and molders of thought, and the leaders of men in action, and the experience of mankind, all unite to establish the truth of this proposition.

Solomon, when offered his choice, preferred wisdom to honor, riches, and length of days, and, in the language of Holy Writ, the Lord assured him:

Lo, I have given thee a wise and an understanding heart, so that there was none like thee before thee, neither after thee shall any arise like unto thee. And I have also given thee that which thou hast not asked, both riches and honor: so that there shall not be any among the kings like unto thee all thy days, * * * and I will lengthen thy days.

Lord Bacon, "the brighest, wisest of mankind," though he may not have uttered the opinion generally ascribed to him, "Knowledge is power," undoubtedly regarded knowledge as the most desirable possession man could acquire.

Pope has declared:

'Tis education forms the common mind:
Just as the twig is bent the tree 's inclined.

Addison, Steele, Chapman, and even Swift, with most of the writers who shed such luster upon Queen Anne's reign, have all attested the importance they attached to education.

MACAULAY.

But I do not wish to fatigue the House with tedious citations of authorities upon this point, and will therefore adopt the comprehensive words of one of the most brilliant writers and thorough scholars of modern times, of whom it has been said that his mind was a vast storehouse of knowledge, an inexhaustible treasury of wisdom drawn from the writings of the ancient and modern world. Macaulay, in a speech upon this very subject, said:

I say, therefore, that the education of the people ought to be the first concern of a state, not only because it is an efficient means for promoting and obtaining that which all allow to be the main end of government, but because it is the most efficient, the most humane, the most civilized, and in all respects the best means of attaining that end. This is my deliberate conviction; and in this opinion I am fortified by thinking that it is also the opinion of all the great legislators, of all the great statesmen, of all the great political philosophers of all ages and of all nations, even including those whose general opinion is and has ever been to restrict the functions of government.

In this speech, delivered in the English Parliament in 1847, Macaulay strove to enforce the proposition that it was the duty of the government to educate the people as the most effectual means of securing the persons and property of the community, citing the authority of Adam Smith, the great author of that great work, the Wealth of Nations, and referring to the disastrous experience of England in the Gordon riots.

Upon these points I read at some length:

I ask can it be denied that the education of the common people is the most effectual means of protecting persons and property? On that subject I can not refer to higher authority or use more strong terms than have been employed by Adam Smith; and I take his authority the more readily because he is not very friendly to state interference, and almost on the same page as that I refer to he declares that the state ought not to meddle with the education of the higher orders; but he distinctly says that there is a difference, particularly in a highly civilized and commercial community, between the education of the higher classes and the education of the poor.

The education of the poor he pronounces to be a matter in which government is most deeply concerned; and he compares ignorance, spread through the lower classes, neglected by the state, to a leprosy or some other fearful disease, and says where this duty is neglected the state is in danger of falling into this terrible disorder. He had scarcely written this than the axiom was fearfully illustrated in the riots of 1780. I do not know if from all history I could select a stronger instance of my position when I say that ignorance makes the persons or property of the community unsafe, and that the government is bound to take measures to prevent that ignorance.

On that occasiom what was the state of things? Without any shadow of a grievance, at the summons of a madman, one hundred thousand men rising in insurrection, a week of anarchy, Parliament besieged, your predecessor, sir, trembling in the chair, the lords pulled out of their coaches, the bishops flying over the tiles, * * * thirty-six fires blazing at once in London, the house of the chief-justice sacked, the children of the prime minister taken out of their beds in their night-clothes and laid on the table of the Horse Guards, and all this the effect of nothing but the gross, brutish ignorance of the population who had been left brutes in the midst of Christianity, savages in the midst of civilization. * * * Could it have been supposed that all this could have taken place in a community were even the common laborer to have his mind opened by education and be taught to find his pleasure in the exercise of his intellect, taught to revere his Maker, taught to regard his fellow-creatures with kindness, and taught likewise to feel respect for legitimate authority, taught how to pursue redress of real wrongs by constitutional methods?

A PREVENTIVE OF ANARCHY.

But it may be urged that the religious fanaticism which rendered the "no-Popery" cry of the Gordon riots so dangerous in England in 1780 can not possibly be re-echoed in the United States; that the ignorant ferocity and brutality of a London mob a century since can not justly be accepted as indicating a possible danger to any community in this country at this time.

I wish I could think so. But ferocity and brutality are just as certainly characteristics of ignorance toward the close of the nineteenth century as they were toward the close of the eighteenth. Privation, want, greed, and envy will just as certainly excite an ignorant mob to violent and lawless acts now as they did in 1780. Then the cry of "no Popery," started by a madman, was caught up by demagogues and made the pretext for lawless attacks upon property and life, and it was only the other day that the cry of "no monopoly" in Chicago enabled a few miscreants to excite an ignorant mob to deeds of violence and bloodshed no less ferocious than those so graphically described by Macaulay.

What was the instrument which Parsons, Spies, and their associates found most potent in creating the tumult which drenched in blood the streets of that great city? What was the only thing that rendered that occurrence possible? I answer boldly and fearlessly it was the ignorance of the poor creatures who had accepted them as leaders.

Can any one imagine that under any stress of circumstance, under any extremity of bitter feeling, provoked by long-continued, patiently endured, and apparently irremediable wrongs, a crowd of educated, intelligent American workingmen could have been goaded into the perpetration of such a treacherous, wanton, and cowardly attack upon the civil authorities as that of which these foreign anarchists were guilty in Chicago?

"Ah," says one, "but these same anarchists are beyond the reach of any influence for good which education can exert. You might establish fifty schools in their midst, and not one of them would become pupils; they have passed the school age, and your sovereign panacea could not prove efficacious with them because they will not subject themselves to its influence."

Grant that this be true, is it any the less the duty of a humane, a civilized, a Christian government to at least make an effort to enlighten the ignorance which has been so revoltingly displayed?

A PLAIN, IMPERATIVE DUTY.

Make the effort. Give to these benighted, misguided victims of ignorance and passion the chance to learn the enormity of the offenses into which they have been betrayed by the arts of a few designing and cowardly miscreants who lacked the manliness to face the consequences of the belief they professed, and if they will not accept it, if they persist in their lawless theories and practices, then let the full power and vigor of the State be invoked to suppress their ignorant violence. Let them suffer for their crimes, but let us at least make the effort to teach them so much as will enable them to know they are criminals. Let the State punish them for their crimes, not for their ignorance which the State has not attempted to remove.

Even if the effort to reach these criminals and to ameliorate their ignorance prove useless in these particular cases, the schools, which I maintain it is the duty of the Government—the State being unable—to establish in their midst, would be available for their children. The education which the father could not appreciate or would not accept may convert the son of an assassin into an industrious, honorable, ambitious mechanic, who may so improve his opportunities that in the future his vote in this Hall may decide whether the blessings of Government aid to education shall not be still further extended.

But it may be urged this bill does not propose to extend the benefits of Government aid to education to the Chicago anarchists or to their children, and that I have endeavored to fortify it by an inapplicable illustration.

I deny that this exemplification of the dangers to which persons and property are exposed by the ignorance of the people is not applicable to my argument.

If Chicago were the only locality in this broad land where ignorance could be found, and if it were the fact that Chicago could not benefit by this bill, the objection might be pertinent.

I maintain though that every city, town, and hamlet throughout the country must be benefited by this bill, no matter whether the immediate effect of its passage is to plant a school-house in that particular city, town, or hamlet or not. Is not every community in every portion of the land interested in every effort which promises to give us greater security for persons and property? Do we not all possess a common interest in increasing the intelligence of our people, no matter where they may reside? Has not the whole country, North, South, East, and West, benefited by the system of popular education which we have always enjoyed since the outposts of civilization were first planted upon our shores? And would not the advantages of its further extension inure to all sections alike?

Unhappily, too, there are portions of our country where the ignorance of the mass of the people is even greater than it is in Chicago, or than it is in any of the prosperous and populous cities of the North—localities where there is one voter who can not write to every two who can; where only one voter out of every three can read the ballot which he deposits in the box.

ITS CONSTITUTIONALITY ESTABLISHED.

But it is claimed that the passage of this bill involves the usurpation by Congress of powers not delegated to it by our organic law, and that therefore, praiseworthy and commendable as may be its purpose, the measure is unconstitutional and should be defeated.

I have had occasion heretofore, Mr. Speaker, to deprecate what I have considered unwarranted and unjustifiable appeals to the Constitution

to obstruct legislation which, in my opinion at least, was clearly within the line which defines the duties, rights, and powers of the General Government. I have heretofore professed myself, and I wish now to repeat, that I am and wish to be considered as a Democrat after the straitest sect; that I never have been and never shall be willing to see Congress arrogate to itself any right or power not clearly deducible from the language and purposes of the great charter from which all its powers are derived.

I never have relied upon and I never shall exclusively rely upon the "general welfare" clause of the Constitution—that clause which has been so aptly designated as "the blanket clause"—as supplying of itself a warrant for the exercise of any doubtful or questionable right. On the contrary, I have always been a devout and firm believer in the principle and practice of strict construction of the terms by which the right to exercise our powers is conveyed.

WHEN TO CONSTRUE STRICTLY.

But, sir, I would apply this principle and practice of strict construction only according to the purposes and within the usages of the great party within which this wise and salutary principle originated.

No fact in the history of the Democratic party is or can be clearer than that this great and necessary principle of strict construction has been invoked only when the reserved rights and the liberties of the people were imperiled, when the integrity and sovereignty of the States have been threatened, or when the encroachments of arbitrary power endeavored to subvert the fundamental principles of our system of government.

It was to shield us from such evils that the Democratic party deemed it necessary to insist upon a strict construction of the terms of our great charter. That great and patriotic party, animated by the spirit of its immortal founder and influenced and controlled by its great leaders who have succeeded him, has always been too ardently devoted to the welfare and happiness of the people to seek to limit the agencies through which alone that welfare could be promoted by confining those agencies to the exercise of only those powers which are expressly granted.

In other words, the Democratic party has always relied upon the Constitution to shield and protect the liberties of the people, but it has never desecrated that instrument by converting it into a barrier to the people's progress or a bar to their greater prosperity.

This, I maintain, is the spirit, the very essence of true Democracy as to constitutional construction and limitations, and under this conviction I assert that the most sincere and unfaltering Democrat, while insisting upon the principle of strict construction, yet has his party's warrant for advocating measures like this, designed to increase the happiness and prosperity of the people.

And it is upon this theory that I say I would limit to the very narrowest bounds warranted by the language and manifest intentions of the framers of the Constitution the powers and privileges of the General Government. I am as keenly alive to the dangers to which our peculiar system of Government would be exposed by any infraction of the Constitution as any gentleman on this floor or in this country can be, and I am as firmly convinced as any one can be that the prosperity of our people and stability of our institutions depend largely upon the vigilance and fidelity with which we, the representatives of the people, guard and defend them against the unauthorized and insidious encroachments of power.

DUTY OF CONGRESS TO THE PEOPLE.

But, sir, our duties here call upon us to do something more than to merely guard against any and all infractions of the Constitution. It is our duty to protect and defend the Constitution, and that duty we are sworn to perform, but we have other duties no less obligatory. It is also our duty to serve the people of the United States. We are as much bound to devise such measures and enact such laws as our judgment tells us are calculated to promote the present positive benefit and advantage of the people as we are to render the negative service of preventing any invasion of their reserved rights and powers.

And it is because of my anxiety to secure for the people these positive, present benefits that I feel constrained to enter my respectful but emphatic protest against the prevalent—and I must say, in my opinion, the unwarranted and unreasonable—practice of invoking the Constitution to retard or prevent the passage of measures designed to secure to the people somewhat of the positive, present advantages of our system of self-government to which they are clearly and lawfully entitled.

I wish to render it impossible for my position in relation to such questions to be misunderstood. I say benefits to which the people are clearly and lawfully entitled; and by this I mean such benefits as should be and may be conferred upon them without the slightest infraction of those wise and salutary limitations within which only can Congress exercise its constitutional powers. I am not of those who hold that we may be justified in doing a little evil now to secure great good hereafter. On the contrary, I am unalterably opposed to that doctrine—I care not how little may be the evil contemplated or how great may be the good anticipated. In legislation, as in morals, a thing must be either right or wrong, and a measure not sanctioned by law is a measure which can not possibly be right.

WHERE THE BURDEN OF PROOF RESTS.

Let the enemies of this bill show that it is prohibited by the Constitution, and I will unite with them in securing its defeat.

But they must establish the fact of such prohibition—must show clearly and unmistakably that it is prohibited. I say they must do this, and I have very high authority for the assertion. In McCulloch *vs.* The State of Maryland (4 Wheaton, pages 409, 410) Chief-Justice Marshall held:

> The government which has a right to do an act, and has imposed on it the duty of performing that act, must, according to the dictates of reason, be allowed to select the means; and those who contend that it may not select any appropriate means, that one particular mode of effecting the object is excepted, take upon themselves the burden of establishing that exception.

Can this express constitutional prohibition be established against this bill? I think not. And I think further that it can be shown, not only that this bill is not prohibited, but that it is expressly sanctioned by Congressional action in innumerable instances, and by judicial interpretations of the Constitution as well as by legitimate implication from the language of that instrument.

AN OBJECT OF NATIONAL CONCERN.

In Dartmouth College *vs.* Woodward (4 Wheaton, page 634), Chief-Justice Marshall used this forcible and unequivocal language:

> That education is an object of national concern and a proper subject of legislation, all admit. That there may be an institution founded by government, and placed entirely under its immediate control, the officers of which would be public officers, amenable exclusively to government, none will deny.

The foundation, the base, upon which those who oppose this bill on constitutional grounds rest their argument is simply this: Our Government is one of expressly delegated, clearly defined, and strictly limited powers, and all powers or rights not distinctly delegated, are, by the tenth amendment to the Constitution, expressly "reserved to the States respectively, or to the people," and as there is no distinct and express grant to the General Government of the right to appropriate money to the temporary support of common schools the exercise of that power must be regarded as prohibited.

That, sir, is the whole of the constitutional argument against this bill in all its strength, and all its weakness; no wealth of ornament or elaboration can make it stronger, and no process of refinement can render it less forcible.

The object of the Constitution, as we learn from the preamble, was "to form a more perfect Union * * * insure domestic tranquillity * * * and secure the blessings of liberty to ourselves and our posterity." It will be observed that I have purposely omitted the "general-welfare" clause, together with others not bearing upon my subject, as it is not my intention to appeal to that clause, even indirectly, to support or strengthen my argument in favor of the object sought to be accomplished by this measure.

The Constitution, then, was ordained and established in order to cement and perpetuate the bonds of Union, insure domestic tranquillity, and to secure the blessings of liberty to this people forever.

But, sir, this instrument, benignant in its purposes as it was, successful in its operation as it has been, the greatest and most perfect monument of human wisdom ever devised by the genius of man as it is, was yet the work of finite beings, inspired only by their devotion to the liberty and happiness of mankind. Wise, sagacious, and clear-sighted as the great framers of this great charter of our liberties were, it was impossible for them to have foreseen and expressly provided for all the necessities of an unparalleled growth in all that makes a people intellectually and materially great and prosperous. They could not have foreseen, and therefore they could not make explicit and distinct provision for all the necessities which are the legitimate and logical consequence of our growth.

OUR PHENOMENAL GROWTH UNFORESEEN.

They could reasonably anticipate that an asylum for the oppressed of all nations must necessarily increase in population out of all proportion to the increase in population of the rest of the world. But the man who had said in the constitutional convention of 1787 that he believed that within the first century of its national life the population of the United States would increase from less than 4,000,000 to more than 60,000,000 would have been deemed a visionary whose speculations were not worthy of a moment's consideration.

Inspired apostles of human liberty though they were, possessing and displaying in their acts, works, and words a wisdom I have often regarded as almost divine, our fathers were yet neither omniscient nor prescient—these are the attributes of Deity alone—and only by the gift of prescience could they have known that one State or several States of the Union they had so wisely and lovingly formed would be absolutely unable to provide adequate means for the education of the illiterate poor within their limits.

Accepting their recorded opinions as to the vital importance of education in fostering and developing the sentiments, feelings, and principles indispensable to freedom and self-government, can we doubt what would have been their action had they conceived of such a possibility? We all know they would not have been content with embodying in the Constitution a positive permission, but would have used words the effect

of which would have been to make it obligatory upon the General Government to extend its aid to the States so circumstanced.

Fortunately, however, they have not left the friends of education in a position where they are forced to justify an effort to secure such Government aid to education by mere surmises or conjectures as to what the framers of the Constitution would have done in the present condition of the country. They have embodied that justification, that authorization in the Constitution itself.

WHAT THE CONSTITUTION REQUIRES.

As I have shown, the Constitution was ordained and established in order, among other things, to insure domestic tranquillity and to secure the blessings of liberty to the people. To accomplish these objects the Constitution created certain agencies, clothed with certain powers and vested with certain rights. The agency first specified is called into being in these words:

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

Mark the comprehensive and emphatic terms in which the rights of the Congress are conferred. "All legislative powers herein granted," not some legislative powers, or a portion of the legislative powers, but all of them shall be vested, not may be vested or will be regarded as being vested, but shall be vested in Congress. It has been claimed, however, by a very able and very distinguished opponent of this bill that the words "herein granted" constitute a distinct and express limitation upon the right of Congress to exercise the "legislative powers" conferred upon it.

The distinguished gentleman to whom I have referred attached great significance to these words and argued that Congress has no constitutional right to exercise legislative powers except where the Constitution grants that right in express terms. The gentleman is justly regarded as one of the profoundest and most eminent constitutional lawyers who ever served in any legislative body in this country, and it is with the greatest possible diffidence that I venture to dissent from his opinion upon a question which his vastly superior natural ability and his much profounder study enable him to understand far more thoroughly than I can ever hope to do. But even Jove nods at times, and the greatest constitutional lawyer may be mistaken once in his life, and I think I can show that to have been the case in this instance.

IMPLIED POWERS RIGHTFULLY EXERCISED.

I agree fully with the opinion that the legislative power must be granted by the Constitution; but I venture to dissent from the idea that only those powers are granted which are given in express terms. I maintain that while this is a Government of enumerated powers, there are some powers conferred which are not specifically enumerated.

In the case of McCulloch *vs.* State of Maryland (4 Wheaton, pp. 405, 406, and 407), which, the reporter informs us, was regarded as so important that "the court dispensed with its general rule permitting only two counsel to argue for each party," Chief-Justice Marshall, in considering this very question, used this very significant and unequivocal language:

If any one proposition could command the universal assent of mankind we might expect it would be this: That the Government of the Union, though limited in its powers, is supreme within its sphere of action. This would seem to result necessarily from its nature. It is the Government of all; its powers are delegated by all; it represents all, and acts for all.

The learned Chief-Justice then proceeds to enforce the proposition of the absolute supremacy of the Government, acting within its delegated powers, and comes to the question of the right of the Government to exercise any power which is not enumerated, upon which point he is especially clear and convincing, as gentlemen will see by the language to which I now ask their attention:

But there is no phrase in the instrument (the Constitution) which, like the articles of confederation, excludes incidental or implied powers and which requires that everything granted shall be expressly and minutely described. Even the tenth amendment, which was framed for the purpose of quieting the excessive jealousies which had been excited, omits the word "expressly," and declares only that the powers "not delegated to the United States, nor prohibited to the States, are reserved to the States or to the people;" thus leaving the question, whether the particular power which may become the subject of contest has been delegated to the one government or prohibited to the other, to depend on a fair construction of the whole instrument. The men who drew and adopted this amendment had experienced the embarrassments resulting from the insertion of this word in the articles of confederation, and probably omitted it to avoid those embarrassments.

A constitution, to contain an accurate detail of all the subdivisions of which its great powers will admit, and of all the means by which they may be carried into execution, would partake of the prolixity of a legal code, and could scarcely be embraced by the human mind. It would probably never be understood by the public. Its nature, therefore, requires that only its great outlines should be marked, its important objects designated, and the minor ingredients which compose those objects be deduced from the nature of the objects themselves. That this idea was entertained by the framers of the American Constitution is not only to be inferred from the nature of the instrument, but from the language.

In the same case the court held (pages 408, 409):

Can we adopt that construction (unless the words imperiously require it) which would impute to the framers of that instrument, when granting these powers for the public good, the intention of impeding their exercises by withholding a choice of means? If, indeed, such be the mandate of the Constitution, we have only to obey; but that instrument does not profess to enumerate the means by which the powers it confers may be executed.

WE MUST ACCEPT JUDICIAL INTERPRETATION.

Now, sir, I have always understood, and I do not think it has ever been disputed by the most earnest and ardent upholders of the theory of strict construction of the very words of the Constitution, that an interpretation of any dubious clause of the Constitution—a construction of its meaning, intent, and purpose by the Supreme Court—was just as forceful and binding as though that interpretation and construction had been imbedded in the instrument itself; as if no dubiety had existed, and no construction required. There is no tribunal under heaven to make plain the doubtful or questionable things in the Constitution if the Supreme Court be not that tribunal. For this purpose, among others, was it created.

If, then, the Supreme Court, in a most important case, involving directly a question of constitutional law and constitutional construction, has declared that the General Government is possessed of certain unenumerated powers, legitimately deducible from the language in which expressly delegated powers are conferred, then I maintain it is practically a part of the Constitution itself that the General Government is clothed with the right to exercise powers which are not enumerated.

The Supreme Court has decided this point, as I have shown, and has decided that the Government has the right to exercise powers not expressly enumerated, and it is upon this decision that I base my dissent from the views of the eminent constitutional lawyer to whom I have referred.

The constitutional principle involved in this case is so important, and the decision of the court so fully vindicates the position assumed by the friends of this bill, that I venture to quote from it still further.

After having established the points already cited, the learned Chief-Justice goes on to argue that the fact of conferring certain powers necessarily and unavoidably carries with the grant an undeniable right to adopt such means as appear best calculated to render the grant of power effective for the general good. To illustrate his theory he cites the power to raise revenue as necessarily implying the right to transport money from place to place, though no such right is expressly granted; and (on pages 410, 411) declares his inability to "comprehend the process of reasoning which maintains that a power appertaining to sovereignty can not be connected with that vast portion of it which is granted to the General Government, so far as it is calculated to subserve the legitimate objects of that Government."

And he concludes (page 411):

The power of creating a corporation is never used for its own sake, but for the purpose of effecting something else. No sufficient reason is, therefore, perceived why it may not pass as *incidental* to these powers which are expressly given, if it be a direct mode of executing them.

A QUESTION ADJUDICATED.

Now, sir, I submit that this language of the Supreme Court, a tribunal expressly created for the purpose of expounding any and all intricacies or doubtful points in the Constitution, has forever settled the fact that under our great charter the General Government is clothed with the power to exercise rights not expressly granted or enumerated. Such is the decision of the most august tribunal known to our judiciary system, and between a decision of the Supreme Court and an opinion of the most distinguished constitutional lawyer I think we are bound to accept and be governed by the decision of the court.

But, sir, the court is not content to rest its exposition of the constitutional rights of the General Government upon even so unanswerable an argument as that which I have cited. It goes further and demonstrates the fact that this right of the General Government has not been left to mere inference or construction. Says the Chief-Justice (pages 411–412):

But the Constitution of the United States has not left the right of Congress to employ the necessary means for the execution of the powers conferred on the Government to general reasoning. To its enumeration of powers is added that of making "all laws which shall be necessary and proper for carrying into execution the foregoing powers, and other powers vested by this Constitution, in the Government of the United States or in any department thereof."

The counsel for the State of Maryland have urged various arguments to prove that this clause, though in terms a grant of power, is not so in effect, but is really restrictive of the general right, which might otherwise be implied, of selecting means for executing the enumerated powers.

In support of this proposition they have found it necessary to contend that this clause was inserted for the purpose of conferring on Congress the power of making laws; that without it doubts might be entertained whether Congress could exercise its powers in the form of legislation.

But could this be the object for which it was inserted? A government is created by the people, having legislative, executive, and judicial powers. Its legislative powers are vested in a Congress, which is to consist of a Senate and House of Representatives. Each House may determine the rule of its proceedings, and it is declared that every bill which shall have passed both Houses shall, before it becomes a law, be presented to the President of the United States. * * * Could it be necessary to say that a Legislature should exercise legislative powers in the shape of legislation? After allowing each House to prescribe its own course of proceeding, after describing the manner in which a bill should become a law, would it have entered into the mind of a single member of the convention that an express power to make laws was necessary to enable the Legislature to make them? That a Legislature, endowed with legislative powers, can legislate is a proposition too self-evident to have been questioned.

But the argument on which most reliance is to be placed is drawn from the peculiar language of this clause. Congress is not empowered by it to make all laws which may have relation to the powers conferred on the Government, but only such as may be "necessary and proper" for carrying them into execution. The word "necessary" is considered as controlling the whole sentence, and as limiting the right to pass laws for the execution of the granted powers to such as are indispensable, and without which the power would be nugatory. That it excludes the choice of means and leaves to Congress in each case that only which is most direct and simple.

The court then enters upon the consideration of the just and reason-

able signification of the word "necessary," as used in this clause of he Constitution, and concludes (pages 415, 416, 417, &c.):

* * * This word, then, like others, is used in various senses; and in its construction, the subject, the context, the intention of the person using them, are all to be taken into view.

Let this be done in the case under consideration. The subject is the execution of those great powers on which the welfare of a nation essentially depends.

It must have been the intention of those who gave these powers to insure, as far as human prudence could insure, their beneficial execution. This could not be done by confining the choice of means to such narrow limits as not to leave it in the power of Congress to adopt any which might be appropriate and which were conducive to the end. This provision is made in a Constitution intended to endure for ages to come, and, consequently, to be adapted to the various crises of human affairs.

To have prescribed the means by which Government should, in all future time, execute its powers would have been to change entirely the character of the instrument, and give it the properties of a legal code. It would have been an unwise attempt to provide, by immutable rule, for exigencies which, if foreseen at all, must have been seen dimly, and which can be best provided for as they occur. To have declared that the best means shall not be used, but those alone without which the power given would be nugatory, would have been to deprive the Legislature of the capacity to avail itself of experience, to exercise its reason, and to accommodate its legislation to circumstances. If we apply this principle of construction to any of the powers of the Government we shall find it so pernicious in its operation that we shall be compelled to discard it.

The powers vested in Congress may certainly be carried into execution without prescribing an oath of office. The power to exact this security for the faithful performance of duty is not given, nor is it indispensably necessary. The different Departments may be established; taxes may be imposed and collected; armies and navies may be raised and maintained, and money may be borrowed without requiring an oath of office. It might be argued with as much plausibility as other incidental powers have been assailed that the convention was not unmindful of this subject. The oath which might be exacted—that of fidelity to the Constitution—is prescribed, and no other can be required. Yet he would be charged with insanity who should contend that the Legislature might not superadd to the oath directed by the Constitution such other oath of office as its wisdom might suggest.

So with respect to the whole penal code of the United States. * * * The several powers of Congress may exist, in a very imperfect state to be sure, but they may exist and be carried into execution, although no punishment should be inflicted in cases where the right to punish is not expressly given.

Take, for example, the power "to establish post-offices and post-roads." This power is executed by the single act of making the establishment. But from this has been inferred the power and duty of carrying the mail along the post-road, from one post-office to another. And from this implied power has again been inferred the right to punish those who steal letters from the post-office or rob the mail. It may be said, with some plausibility, that the right to carry the mail, and to punish those who rob it, is not indispensably necessary to the establishment of a post-office and post-road.

* * * * * * *

The lawful influence of this narrow construction on all the operations of the Government, and the absolute impracticability of maintaining it without rendering the Government incompetent to its great object, might be illustrated by numerous examples drawn from the Constitution and from our laws.

DISCRETIONARY POWER IN CONGRESS.

The court then holds that if this limited construction of the word "necessary" must be abandoned to establish the right of Government to inflict punishment it must also be abandoned with reference to the execution of other powers of the Government, and in finally determining the sense in which the word is used in this clause of the Constitution it is found that it is qualified by the word "proper" with which it is associated. Having established this point, the court says (pages 419, 420, and 421):

But the argument which most conclusively demonstrates the error of the construction contended for * * * is founded on the intention of the convention as manifested in the whole clause. To waste time and argument in proving that without it Congress might carry its powers into execution would not be much less idle than to hold a lighted taper to the sun. As little can it be required to prove that in the absence of this clause Congress would have some choice of means. That it might employ those which, in its judgment, would most advantageously effect the object to be accomplished. That any means adopted to the end, any means which tended directly to the execution of the constitutional powers of the Government, were in themselves constitutional. This clause, as construed by the State of Maryland, would abridge and almost annihilate this useful and necessary right of the Legislature to select its means. That this could not be intended, is, we should think, had it not been already controverted, too apparent for controversy. We think so for the following reasons:

First. The clause is placed among the powers of Congress, not among the limitations on those powers.

Second. Its terms purport to enlarge, not to diminish, the powers vested in the Government. It purports to be an additional power, not a restriction on those already granted. No reason has been or can be assigned for thus concealing an intention to narrow the discretion of the National Legislature under words which purport to enlarge it. The framers of the Constitution wished its adoption, and well knew that it would be endangered by its strength, not by its weakness. Had they been capable of using language which would convey to the eye one idea and after deep reflection impress upon the mind another, they would rather have disguised the grant of power than its limitation.

If, then, their intention had been, by this clause, to restrain the free use of means which might otherwise have been implied, that intention would have been inserted in another place, and would have been expressed in terms resembling these: "In carrying into execution the foregoing powers and all others, &c., no laws shall be passed but such as are necessary and proper." Had the intention been to make this clause restrictive it would unquestionably have been so in form as well as in effect.

The result of the most careful and attentive consideration bestowed upon this clause is that if it does not enlarge it can not be construed to restrain the powers of Congress or to impair the right of the Legislature to exercise its best judgment in the selection of measures to carry into execution the constitutional powers of the Government. If no other motive for its insertion can be suggested, a sufficient one is found in the desire to remove all doubt respecting the right to legislate on that *vast mass of incidental powers* which must be involved in the Constitution, if that instrument be not a splendid bauble.

We admit, as all must admit, that the powers of the Government are limited, and that its limits are not to be transcended. But we think the sound construction of the Constitution must allow to the National Legislature that discretion, with respect to the means by which the powers it confers are to be carried into execution, which will enable that body to perform the high duties assigned to it in the manner most beneficial to the people. Let the end be legitimate, let it be within the scope of the Constitution, and all means which are appropriate, which are plainly adapted to that end, *which are not prohibited* but consist with the letter and spirit of the Constitution, are constitutional.

Having reached this conclusion as to the right of Congress to exercise incidental or implied powers—powers not expressly enumerated—the court decided that the bank must, as a corporation created by the National Legislature in the exercise of its legitimate powers, "be exempt from the power of a State to tax its operations." On this point the court held (page 426):

There is no express provision for the case, but the claim has been sustained on a principle which so entirely pervades the Constitution, is so intermixed with the materials which compose it, so interwoven with its web, so blended with its texture, as to be incapable of being separated from it without rending it into shreds.

LIBERAL CONSTRUCTION NECESSARY.

If any theory of constitutional construction has ever been officially and effectually exploded it is that which would insist that no power not expressly enumerated in the words of the Constitution can be lawfully exercised. The decisions of the Supreme Court which I have already cited suffice of themselves to show that this claim is not merely fallacious but absurd, and I have by no means exhausted the arguments by which the court has demonstrated the fallacy of the theory. I might easily fill the RECORD with additional citations all tending to establish this proposition. But I do not wish to weary the House, and will content myself with one further quotation, which, I think, must be admitted as convincing and conclusive upon the point.

In the important case of Gibbons vs. Ogden (9 Wheaton, pp. 137 *et seq.*) Chief-Justice Marshall delivered the opinion of the court in this forcible and unmistakable language:

This instrument contains an enumeration of powers expressly granted by the people to their Government. It has been said that these powers ought to be construed strictly. But why ought they to be so construed? Is there one sentence in the Constitution which gives countenance to this rule? In the last of the enumerated powers, that which grants expressly the means for carrying all others into execution, Congress is authorized "to make all laws which shall be necessary and proper" for the purpose.

But this limitation on the means which may be used is not extended to the powers which are conferred, nor is there one sentence in the Constitution which has been pointed out by the gentlemen of the bar, or which we have been able to discern, that prescribes this rule. We do not, therefore, think ourselves justified in adopting it. What do gentlemen mean by a strict construction? If they contend only against that enlarged construction, which would extend words beyond their natural and obvious import, we might question the application of the term, but should not controvert the principle. If they contend for that narrow construction which, in support of some theory not to be found in the Constitution, would deny to the Government those powers which the words of the grant, as usually understood, import, and which are consistent with the general views and objects of the instrument; for that narrow construction which would cripple the Government and render it unequal to the objects for which it is declared to be instituted, and to which the powers given as fairly understood render it competent, then we can not perceive the propriety of this strict construction nor adopt it as the rule by which the Constitution is to be expounded.

As men whose intentions require no concealment generally employ the words which most directly and aptly express the ideas they intend to convey, the enlightened patriots who framed our Constitution, and the people who adopted it, must be understood to have employed words in their natural sense, and to have intended what they have said. If, from the imperfection of human language, there should be serious doubts respecting the extent of any given power, it is a well-settled rule that the objects for which it was given, especially when those objects are expressed in the instrument itself, should have great influence in the construction. We know of no reason for excluding this rule from the present case.

The grant does not convey power which might be beneficial to the grantor, if retained by himself, or which can inure solely to the benefit of the grantee, but is an investment of power for the general advantage, in the hands of agents selected for that purpose, which power can never be exercised by the people themselves, but must be placed in the hands of agents, or lie dormant. We know of no rule for construing the extent of such powers other than is given by the language of the instrument which confers them, taken in connection with the purposes for which they were conferred.

SANCTIONED BY A CENTURY'S LEGISLATION.

Our Government has now existed under the Constitution for a century, and during that time forty-nine Congresses have been elected and have enacted laws which have been in innumerable instances subjected to the consideration and construction of the Supreme Court, and the decisions arrived at by the court have had the effect of ingrafting the laws it has approved and upheld upon the Constitution and investing them with the same power and effect as though they had been part of the original instrument. And the uniform construction of the Constitution by the various Congressional enactments must now be accepted and regarded as no less binding than the provisions of the Constitution itself.

If every successive Congress should construe the provisions of the Constitution in accordance with the views of individual members, or to accommodate the purposes of a majority, without regard to the antecedent construction of its predecessors, it will be manifest that we should practically have no constitutional guide whatever.

In 1816 in delivering the opinion of the Supreme Court upon the point of constitutional law involved in the famous case of Martin vs. Hunter's Lessee, Justice Story used these words (1 Wheaton 304):

The Government, then, of the United States can claim no powers which are not granted to it by the Constitution, and the powers actually granted must be such as are expressly given or given by necessary implication. On the other hand, this instrument, like every other grant, is to have a reasonable construction, according to the import of its terms; and where a power is expressly given in general terms it is not to be restrained to particular cases unless that construction grow out of the context expressly or by necessary implication. The

words are to be taken in their natural and obvious sense and not in a sense unreasonably restricted or enlarged.

The Constitution unavoidably deals in general language. It did not suit the purposes of the people, in framing this great charter of our liberties, to provide for minute specifications of its powers or to declare the means by which those powers should be carried into execution. It was foreseen that this would be a perilous and difficult, if not an impracticable, task. The instrument was not intended to provide merely for the exigencies of a few years, but was to endure through a long lapse of ages, the events of which were locked up in the inscrutable purposes of Providence. It could not be foreseen what new changes and modifications of power might be indispensable to effectuate the general objects of the charter; and restrictions and specifications which at the present might seem salutary might in the end prove the overthrow of the system itself. Hence its powers are expressed in general terms, leaving to the Legislature, from time to time, to adopt its own means to effectuate legitimate objects and to mold and model the exercise of its powers as its own wisdom and the public interests might require.

LAWS ENACTED UNDER IMPLIED POWERS.

If we reject this theory of implied grants of power to Congress by the Constitution, upon what principle will we be able to justify the enactment of a large majority of the laws which we find upon our statute-books?

During the first four years of the existence of the Government under the Constitution Congress appropriated $15,000 for the support of the refugees from the island of San Domingo. During Washington's second administration a law was passed appropriating $4,000 to remunerate American citizens who had ransomed themselves from the Government of Algiers.

During the administrations of Adams and Jefferson laws were enacted appropriating money to aid American seamen in foreign countries.

During Madison's administration money was appropriated to purchase provisions and donate them to the relief of the sufferers from an earthquake in Venezuela.

During Polk's administration Democrats enacted laws to purchase and convey provisions to famine-stricken Ireland. And since the war there is no limit to the laws authorizing the expenditure of money for which no express constitutional warrant can be found.

There is no express authority in the Constitution for the establishment of the Department of Agriculture, or for the Fish Commission, or for the Geological Survey, or for the exploration of the Amazon or expeditions to the North Pole, or for the Signal Service Corps, or for the Smithsonian Institute, or the Life-Saving Service, or to make surveys in Panama or Nicaragua with a view to canal construction, or to establish schools for the education of Indians, or to erect monuments to distinguished citizens, or to donate $250,000 each Congress to the employés of that body for which sum no services whatever are rendered or expected, or to loan the credit of the Government to the Pacific railroads, or to acquire the Territory of Alaska at a cost of $7,200,000, or to donate the public treasure to promote a centennial exhibition at Philadelphia or a world's exposition at New Orleans, or to create a civil-service commission under the rules now in force, or to tax private banks out of existence and establish national banks.

I might cite hundreds of laws for which not the faintest shadow of authority can be found in the express grants of the Constitution, all enacted under the implied powers conferred upon Congress, and I insist there is no implication to justify any of these laws so strong as that which exists in favor of the educational bill. And in addition to the implications in favor of this measure, the Supreme Court has decided in numberless instances that its purpose is in strict conformity with the Constitution.

DECISION BY EXTREME STATE RIGHTS DEMOCRATS.

The decisions I have already cited were rendered in 1824 and prior thereto. It is unnecessary for me to accumulate decisions of this character, but there is one delivered a short time before the war to which I will call attention on account of the character of the court at the time of its rendition. At that time the Supreme Court of the United States was eminently distinguished for its strict construction of the Constitution, opposition to centralization, and adherence to the principle of State rights; and yet while thus organized it announced a unanimous decision prepared and delivered by Justice Campbell, of Alabama, in which the court fully affirmed the constitutionality of Congressional grants for the aid of education, and the opinion even took occasion to commend the wisdom of such enactments.

The style of the case is Cooper *vs.* Robert, 18 Howard, page 177.

I read from page 178:

> There is, obviously, a definite purpose declared to consecrate the same central section of every township of every State which might be added to the Federal system, to the promotion "of good government and the happiness of mankind," by the spread of "religion, morality, and knowledge," and thus, by a uniformity of local association, to plant in the heart of every community the same sentiments of grateful reverence for the wisdom, forecast, and magnanimous statesmanship of those who framed the institutions for these new States before the Constitution for the old had yet been modeled.

To realize the full force of this decision it must be remembered that Judge Campbell was so extreme in his views as a strict constructionist of the Constitution that shortly after, when the State of Alabama seceded, he felt constrained to surrender his high position as a judge of the Supreme Court of the United States and retire to private life in his native State.

A WISE AND MAGNANIMOUS MEASURE.

Note the language. Judge Campbell and all the Supreme Court of the United States speak of "the wisdom, forecast, and magnanimous statesmanship" of those who framed the law granting aid to education.

I wish I had a voice that could resound throughout our land, to repeat those words to all our people.

If the State-rights Democrats who sat on the supreme bench during Buchanan's administration call such laws evidence of wisdom, forecast, and magnanimous statesmanship, certainly it must be a kind of legislation it would be highly culpable in us to neglect under the country's present circumstances.

But beside being wise and magnanimous, we see that the Supreme Court has held such a law to be constitutional, and now the opponents of the educational bill are reduced to the pitiable extremity of a plea of confession and avoidance. They must confess that they are in error in pretending that the bill is unconstitutional in the face of the oft-repeated decisions of the Supreme Court and the uniform action of Congress upon the subject, but seek to avoid the effect of this confession by insisting that the Government has no lawful right to assist education by donations of anything but land or property—that so soon as Government converts the people's property or land into money its right to devote to the purposes of education the money equivalent of such land or property is destroyed.

That is, they attempt to maintain the absurdity that the General Government can lawfully give $7,200,000 for Alaska, and then donate to educational purposes any part, or all of the territory so acquired, but that it is debarred by constitutional limitations from donating, for this purpose, the most insignificant fraction of this amount until it has lost its monetary form.

A CLIMAX OF ABSURDITY.

Carried to its logical and unavoidable result their reasoning would lead us to the conclusion that the Government has ample constitutional warrant to bestow upon the several States and Territories all the land it possesses, and I might add all the old and useless hulks which constitute our feeble apology for a navy, with express authority to sell the land and ships for whatever could be realized and devote the proceeds to education, but that were the Government to make the sale itself not one dollar of the money could legally be taken from the Treasury to aid in providing our laborers with the opportunity of educating their children.

It is possible that I am in error, but to my understanding no proposition was ever more absurd than this.

To make the absurdity of the position of our opponents more apparent, let me recall to your attention the fact that much of the donation for educational purposes has not been given to the States in land at all, but in place thereof land-scrip has been given. Now, land-scrip is a paper issued by the Government which has a current value stable and defined. It can be converted into money almost anywhere and at any moment, and such property is frequently used as money.

When people argue that it is constitutional and right and democratic for Congress to donate land-scrip for education, and unconstitutional and wrong and undemocratic to donate the money for which the scrip is sold for the same purpose, they have assumed a refinement of hair-splitting too acute for my reasoning faculties, and when they go further, and while upholding as democratic the law that gives land-scrip to universities, and oppose as undemocratic the law giving the proceeds of land-scrip to aid common schools, a climax of absurdity is reached which needs no refutation.

It refutes itself.

THE PRESENT CHIEF-JUSTICE.

In 1880 Chief-Justice Waite, William M. Evarts, and others were appointed a committee by the trustees of the Peabody fund to memorialize Congress upon the subject of its appropriating funds for education. In referring to the constitutionality of such laws, this distinguished committee say:

> It may be regarded as *res adjudicata*. The laws of the United States present innumerable precedents in which Congress has exercised the power to contribute toward the general education of citizens of the new States, and in no instance has its constitutional right to do so been questioned.

Up to 1880 these distinguished gentlemen say:

> In no instance has the constitutional right to make these appropriations been questioned.

But in 1886 the question is raised and urged by Senators from States which have received from the General Government for educational purposes forty times as much as has been given to States which will be benefited under this bill, and to attain their object they raise the cry of constitutional limitations.

In the same spirit New England, New York, and other States of the North, who have had millions upon millions appropriated for rivers, harbors, and public buildings within their borders, oppose on constitutional grounds the appropriation of a few dollars to improve the navigation of the Tennessee or build a public edifice for Government use in the Southern States.

I ask gentlemen to look on the map and see the 2,700,000 square miles of territory, which is bounded on the east by Pennsylvania, the Virginias, the Carolinas and Georgia, and the 60,000 square miles of Florida, and to bear in mind that all this territory, except about 40,000 squre miles in the States of Wisconsin, Michigan, Illinois, In-

diana, and Ohio, was donated by Southern States or acquired under Southern administrations, and then ask the question if the vast domain of wealth should not be so distributed as to give the South her portion, and if not her full portion, at least some approximation to it.

MR. MADISON UNFAIRLY INVOKED.

In 1792 Mr. Madison made a strong speech against giving improper bounties to Massachusetts codfishery men, and in the earnestness of his oral argument he declared that the measure was unconstitutional. The substance of his objections was expressed in these words:

I, sir, have always conceived—I believed those who proposed the Constitution conceived; it is still more fully known and more material to observe that those who ratified the Constitution conceived—that this is not an indefinite government, deriving its powers from the general terms prefixed to the specified powers, but a limited government, tied down to the specified powers, which explain and define the general terms.

It is to be recollected that the terms "common defense and general welfare" as here used are not novel terms first introduced into this Constitution. They are terms familiar in their construction, and well known to the people of America. They are repeatedly found in the old Articles of Confederation, where, although they are susceptible of as great a latitude as can be given them by the context here, it was never supposed or pretended that they conveyed any such powers as is now assigned to them. On the contrary, it was always considered clear and certain that the old Congress was limited to the enumerated powers; and that the enumeration limited and explained the general terms. I ask the gentlemen themselves whether it was ever supposed or suspected that the old Congress could give away the money of the States to bounties to encourage agriculture, or for any other purpose they pleased? If such a power had been possessed by anybody, it would have been much less impotent, or have borne a very different character from that universally ascribed to it.

The novel idea now annexed to those terms and never before entertained by the friends or enemies of the Government will have a further consequence, which can not have been taken into the view of the gentleman. Their construction would not only give Congress the complete legislative power I have stated; it would do more; it would supersede all the restrictions understood at present to lie in their power with respect to a judiciary. It would put it in the power of Congress to establish courts throughout the United States, with cognizance of suits between citizen and citizen, and in all cases whatsoever.

* * * * * * *

There are consequences, sir, still more extensive, which, as they follow clearly from the doctrine combated, must either be admitted, or the doctrine must be given up. If Congress can employ money indefinitely to the general welfare, and are the sole and supreme judges of the general welfare, they may take the care of religion into their own hands. * * * In short, everything, from the highest object of State legislation down to the most minute object of police, would be thrown under the power of Congress.

This earnest and impulsive objection of Mr. Madison to a construction of the general-welfare clause of the Constitution then sought to be enforced, but long since virtually abandoned and now advocated by but few, has been incorporated in nearly every speech made by the opponents of this bill, whether in or out of Congress. The construction which Mr. Madison was contending for was simply this: That this particular clause did not, of itself, constitute an undefined and unlimited grant of power. I wish it to be clearly understood that I am as inflexibly opposed to this construction of the clause as Mr. Madison could have been or as any opponent of this bill can be now; and I maintain that the deservedly great weight and influence of Mr. Madison's name and opinions have been unjustifiably invoked by the enemies of this measure inasmuch as they have studiously abstained from coupling with their persistent use of his speech any explanation of the particular idea which was being so vigorously controverted.

But even were this appeal to the authority of Mr. Madison perfectly fair and ingenuous, let me ask those who rely upon it so absolutely, how it is that they can be rigidly bound by Madison's idea of constitutional grants of power as expressed in this speech and yet be at liberty to disregard his views upon the same question as indicated in his actions as the Chief Executive of the Republic.

In 1791 he maintained that the United States Bank was unconstitutional, and yet in 1817, as President, he approved the bill rechartering the Bank. In 1792 he held the cod-fishery bounty bill to be unconstitutional and made the speech against it which has been so frequently quoted, and yet in 1813, as President, he approved the bill granting a bounty on all exported pickled fish of the United States fisheries, both measures being identical in principle. In 1794, on the floor of the House, he opposed the appropriation for the relief of the refugees from San Domingo, asserting that the measure—

Involved the constitutional question whether the money of our constituents can be appropriated to any other than the specified powers.

And yet in 1812, as President, he approved a similar bill for the relief of the sufferers by an earthquake at Caracas, in Venezuela.

THE OPPONENTS' ARGUMENT REFUTED.

The opponents of this measure attach great importance and significance to the declaration of Mr. Madison, in the speech on the cod-fishery bounty already cited, that this is—

A limited government, tied down to the specified powers which explain and define the general terms.

They insist that this construction of the powers which Congress may lawfully exercise, by "the father of the Constitution," constitutes an insuperable and fatal objection to this bill.

I admit that there is great force in this argument; that had not the construction of Mr. Madison been shown to be erroneous it would, of necessity, be unanswerable. But, sir, I insist that this error has been shown by Democratic leaders whom the party hold in a reverence only less profound than that cherished for Madison himself.

In vetoing the bill passed in 1822 making an appropriation for continuing the Cumberland road, Mr. Monroe took the ground that the provision assuming Federal supervision and control of the work was unconstitutional, but took the pains to transmit to Congress, accompanying his veto message, a separate document in which the very question under consideration is discussed with marked ability.

In this great state paper Mr. Monroe said:

A power to lay and collect taxes, duties, imposts and excises subjects to the call of Congress every branch of the public revenue, internal and external; and the addition, "to pay the debts and provide for the common defense and general welfare," gives the right of appropriating the money raised, that is of appropriating it to the purposes specified, according to a proper construction of the terms. Hence it follows that it is the first part of the clause only which gives a power, which affects in any manner the power remaining to the States; as the power to raise money from the people whether it be by taxes, duties, imposts, or excises, though concurrent in the States as to taxes and excises, must necessarily do. But the use, or the application of the money after it is raised, is a power altogether of a different character. * * * The right of appropriation is, therefore, from its nature secondary and incidental to the right of raising money; and it was proper to place it in the same grant and same clause with that right.

Further on he says:

It is contended on the one side that, as the National Government is a government of limited powers, it has no right to expend money except in the performance of acts authorized by other specific grants according to a strict construction of their powers: that this grant in neither of its branches gives to Congress a discretionary power of any kind, but is a mere instrument in its hands to carry into effect the powers contained in the other grants. To this construction I was inclined in the more early stage of our Government, but on further reflection and observation my mind has undergone a change.

He then gives the reasons which have produced this change in his views. Among other things upon this point he says:

Many considerations of great weight operate in favor of this construction, while I do not perceive any serious objection to it. If it be established, it follows that the words "to provide for the common defense and general welfare" have a definite, safe, and useful meaning. The idea of their forming an original grant, with unlimited power, superseding every other grant, is abandoned. They will be considered simply as conveying a right of appropriation, a right indispensable to that of raising a revenue, and necessary to expenditures under every grant.

* * * * * * *

If, then, the right to raise and appropriate the public money is not restricted to the expenditures under the other specific grants according to a strict construction of their powers respectively, is there no limit to it? Have Congress the right to raise and appropriate the public money to any and to every purpose according to their will and pleasure? They certainly have not. The Government of the United States is a limited government, instituted for great national purposes, and for those only. Other interests are committed to the States, whose duty it is to provide for them. Each government should look to the great and essential purposes for which it was instituted, and confine itself to those purposes.

MONROE VINDICATES OUR POSITION.

Now, sir, I submit with the utmost possible confidence that the views of the advocates of this measure as to the rights and powers of Congress in making appropriations are fully vindicated by this exposition by Mr. Monroe of the constitutional question involved in this bill. "The right of appropriation," says Mr. Monroe, "is, from its nature, incidental to the right of raising money"—not a right to be exercised only in rigid adherence to the precise language in which the enumerated powers are expressly conferred, but a right to be exercised in accordance with the judgment and wisdom of Congress; provided, and this is the only limitation upon the right of appropriation upon which Mr. Monroe insists, the appropriation be for an object of national concern by which the good of the whole country is to be promoted. This is precisely the interpretation for which the advocates of an appropriation in aid of common schools have contended, and that this is the rightful and proper interpretation is asserted by Mr. Monroe.

To appreciate the full significance of Mr. Monroe's opinion upon this point, we must remember that he was the contemporary of Jefferson and Madison, associated with them in the administration of public affairs, and presumably entirely familiar with their views upon all public questions, and a participant in the public discussions and private interchange of opinions which must necessarily have taken place at the time. It must be remembered, too, that he was a member of Mr. Madison's Cabinet and an associate of Thomas Jefferson, to whose vigilant solicitude we are indebted for the restrictive amendments to the Constitution.

Is it at all likely that amid such surroundings, and under such influences, Mr. Monroe would have sanctioned any construction of the Constitution which would relieve Congress or any branch of the Government from any proper or necessary limitation upon its powers? Can it be imagined that the enemies of this bill are more careful to guard against any tendency to centralization than was Mr. Monroe?

CALHOUN'S COMMON-SENSE CONSTRUCTION.

The views held by Mr. Calhoun on this question are very forcibly expressed in a speech delivered in 1817, some paragraphs from which I will read:

It is mainly urged that the Congress can only apply the public money in execution of the enumerated powers. I am no advocate for refined arguments in the Constitution. The instrument was not intended as a thesis for the logician to exercise his ingenuity on. It ought to be construed with plain, good sense; and what can be more express than the Constitution on this point?

Note the emphasis with which the great modern advocate of strict construction insists that the Constitution shall be "construed with plain good sense," not with "refined arguments."

Mr. Calhoun then calls attention to the plain significance of the language of the first clause of the eighth section. He said:

The first power delegated to Congress is comprised in these words: "To lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States;" "but all duties, imposts, and excises shall be uniform throughout the United States." First, the power is given to lay taxes; next the objects are enumerated to which the money accruing from the exercise of this power may be applied, namely, to pay the debts, provide for the defense, and promote the general welfare; and last, the rule for laying the taxes is prescribed, to wit, that all duties, imposts, and excises shall be uniform.

Mr. Calhoun then shows the absurdity of that construction of this clause for which the opponents of the educational bill now contend, in the forcible language which I will read:

If the framers had intended to limit the use of money to the powers afterward enumerated and defined nothing could have been more easy than to have expressed it plainly. I know that it is the opinion of some that the words "to pay the debts and provide for the common defense and general welfare," which I have just cited, were not intended to be referred to the power of laying taxes contained in the first part of the section, but that they are to be understood as distinct and independent powers granted in general terms and are qualified by a more detailed enumeration of powers in the subsequent part of the Constitution. If such were in fact the meaning intended surely nothing can be conceived more bungling and awkward than the manner in which the framers have communicated their intention. If it were their intention to make a summary of the powers of Congress in general terms which were afterward to be particularly defined and enumerated they should have told us so plainly and distinctly, and if the words "to pay the debts and provide for the common defense and general welfare" were intended for this summary they should have headed the list of our powers, and it should have been stated that to effect these general objects the following specific powers were granted.

I trust that some of the advocates of their strained and narrow construction of the powers of Congress under this clause will undertake the task of replying to Mr. Calhoun's arguments upon this point. Until they do this I hope they will cease to assert that the educational bill is unconstitutional.

Further on in his argument Mr. Calhoun shows that not only "plain good sense" but the uniform practice of the Government is wholly inconsistent with the theory upon which the enemies of this bill rely. He said:

But suppose the Constitution to be silent, why should we be confined in the application of money to the enumerated powers? There is nothing in the reason of the thing that I can perceive why it should be so restricted, and the habitual and uniform practice of the Government coincides with my opinion. Our laws are full of instances of money appropriated without any reference to the enumerated powers. We granted by a unanimous vote, or nearly so, $50,000 to the distressed inhabitants of Caracas, and a very large sum at two different times to the St. Domingo refugees. If we are restricted in the use of our money to the enumerated powers, on what principle can the purchase of Louisiana be justified? To pass over many instances, the identical power which is now the subject of discussion has in several instances been exercised. To look no further back, at the last session a considerable sum was granted to complete the Cumberland road. In reply to this uniform course of legislation I expect it will be said that our Constitution is founded on positive and written principles and not on precedents. I do not deny the position, but I have introduced these instances to prove the uniform sense of Congress and the country, for they have not been objected to, as to our powers, and surely they furnish better evidence of the true interpretation of the Constitution than the most refined and subtle arguments.

Having conclusively disposed of this branch of his subject Mr. Calhoun then considers the effect of the reasonable and proper construction for which he contends. Though habitually opposed to the idea of an unrestricted exercise of power by any branch of the General Government, it will be noticed that his opinions were widely different from those entertained by the alarmists of the present day. Upon this point he used this language:

Let it not be argued that the construction for which I contend gives a dangerous extent to the powers of Congress. In this point of view I conceive it more safe than the opposite. By giving a reasonable extent to the money power it exempts us from the necessity of giving a strained and forced construction to the enumerated powers. For instance, if the public money could be applied to the purchase of Louisiana, as I contend it may be, then there was no constitutional difficulty in that purchase; but if it could not, then we are compelled either to deny that we had the power to purchase or to strain some of the enumerated powers to prove our right.

No language of mine can add force to this masterly exposition of the point at issue.

The right of appropriation is not only fully conceded, but it is demonstrated that the unwise attempt to subject it to undue restrictions and limitations is calculated to bring the cardinal principles of the Constitution itself into question.

OLD HICKORY ON OUR SIDE.

General Jackson also dissented wholly from the proposition of Mr. Madison, in his speech on the cod-fishery bounty, and maintained that under any such construction the successful administration of the Government would be impossible, though admitting that it might have been desirable had it only been feasible. In his veto of the Maysville road bill he said:

The symmetry and purity of the Government would doubtless have been better preserved if this restriction of the power of appropriation could have been maintained without weakening its ability to fulfill the great objects of its institution, an effect so likely to attend its admission, notwithstanding its apparent fitness, that every subsequent administration of the Government, embracing a period of thirty out of the forty-two years of its existence, has adopted a more enlarged construction of the power.

The extent of the discussion to which the question of the proper and legitimate construction of the rights and powers of Congress under this clause has given rise is referred to by Chancellor Kent in these words:

That Congress possesses the power to appropriate money raised by taxation or otherwise for other purposes, in their discretion, than those pointed out in the enumerated powers, is a question that has given rise to very able and acute discussion; and the affirmative side of the question has been sustained and successfully vindicated by the practice of the Government and the weighty authority, among others, of Mr. Hamilton and Mr. Monroe, in celebrated documents under their official sanction.

I might go on and enumerate the various authorities alluded to by the eminent commentator, but it is unnecessary for me to do so, as there is one single authority who in this case must be accepted by all as absolutely conclusive, it being no other than Mr. Madison himself.

MADISON RECANTS THE THEORY OF HIS CODFISHERY SPEECH.

When he vetoed the bill setting apart the bonus to be paid by the bank and the Government's share in its dividends for certain improvements, Mr. Madison had so far modified his views regarding constitutional limitations as to concede that Congress had the right to appropriate money for such purposes. In his veto message he said:

A restriction of the power "to provide for the common defense and general welfare" to cases which are to be provided for by the expenditure of money would still leave within the legislative power of Congress all the great and most important measures of Government, money being the ordinary and necessary means of carrying them into execution.

As was to have been expected, this, the changed opinion in the matter of the Bank, and other marked divergences from the theory so vigorously maintained in the speech upon the codfishery bounty, provoked both criticism and comment. General Jackson, for one, referred to this change of Mr. Madison's views. In alluding to declarations of Mr. Madison on this subject President Jackson used these words:

I have not been able to consider these declarations in any other point of view than as a concession that the right of appropriation is not limited by the power of Congress to carry into effect the measure for which the money is asked as was formerly contended.

I am not disposed to regard this change as in any way justifying a charge that Mr. Madison was inconsistent. But it shows, I think, that, like Mr. Monroe, Mr. Madison's reflection and observation had convinced him that his early opinions upon this point were untenable, and like the wise and sagacious statesman he was, he modified his views, and brought them into harmony with the dictates of a calmer judgment, and the lessons of practical experience in the administration of the Government under the Constitution.

WHY MADISON'S VIEWS WERE REVERSED.

When the speech on the codfishery bounty was made in 1792 the Constitution was an experiment, but when he was President the Constitution had become an established, practical fact, and it was unavoidable that a man like Mr. Madison should have gained knowledge and wisdom by experience. And this view of the causes which had operated to produce this change in opinion is fully sustained by Mr. Madison's own letter, dated June 25, 1831, addressed to Mr. Ingersoll, in which he uses these words:

The charge of inconsistency between my objections to the constitutionality of such a bank in 1791 and my assent in 1817 turns on the question how far legislative precedents expounding the Constitution ought to guide succeeding Legislatures and to override individual opinions.

The weight Mr. Madison attached to judicial interpretations of doubtful constitutional questions is also shown in this letter, where he says:

The case in question has its true analogy in the obligation arising from judicial expositions of the law on succeeding judges—the Constitution being a law to the legislator, as the law is a rule of decision to the judge.

It should be borne in mind that prior to the date of this letter there had been many important decisions by the Supreme Court affirming the more liberal views of constitutional construction; and these decisions, as well as the diverse legislation of successive Congresses, are urged by Mr. Madison as amply vindicating the modification of his views. I quote further from the letter:

Can it be of less consequence that the meaning of a constitution should be fixed and known than that the meaning of a law should be so? Can, indeed, a law be fixed in its meaning and operation unless the Constitution be so? On the contrary, if a particular Legislature, differing in the construction of the Constitution from a series of preceding constructions, proceed to act on that difference, they not only introduce uncertainty and instability in the Constitution but in the laws themselves; inasmuch as all laws preceding the new construction and inconsistent with it are not only annulled for the future but virtually pronounced nullities from the beginning. * * * Has the wisest and most conscientious judge ever scrupled to acquiesce in decisions in which he has been overruled by the matured opinions of the majority of his colleagues and subsequently to conform himself thereto, as to authoritative expositions of the law? And is it not reasonable that the same view of the official oath should be taken by a legislator acting under the Constitution, which is his guide, as is taken by a judge acting under the law, which is his?

There is in fact and in common understanding a necessity of regarding a course of practice as above characterized in the light of a legal rule of interpreting a law; and there is a like necessity of considering it a constitutional rule of interpreting a constitution.

After enlarging upon this point, the writer proceeds in this language:

Let it then be left to the decision of every intelligent and candid judge, which, on the whole, is most to be relied on for the true and safe construction of the Constitution; that which has the uniform sanction of successive legislative bodies through a period of years and under the varied ascendency of parties; not that which depends upon the opinions of every new Legislature, heated as it may be by the spirit of party, eager in the pursuit of some favorite object, or led away by the eloquence and address of popular statesmen, themselves perhaps under the influence of the same misleading causes. It was in conformity with the view here taken of the respect due to deliberate and reiterated precedent that the Bank of the United States, though on the original question held to be unconstitutional, received the executive signature in the year 1817.

It seems to me incomprehensible that gentlemen presumably familiar

with this emphatic and unequivocal recantation by Mr. Madison of the views of constitutional construction advanced by him in the cod-fishery bounty speech of 1792 should now refer to that speech as an authoritative exposition of Mr. Madison's theory of the limitations of the power conferred upon Congress in the matter of appropriation. Can it be possible; that they wish to be considered as excluded from the number of the "intelligent and candid judges" to whom Mr. Madison so confidently appeals to decide this question; that they refuse to admit or recognize the binding force of judicial interpretation and legislative sanction?

THE BILL IS DEMOCRATIC.

But the enemies of the educational bill say it is not democratic. Let me ask them, one and all, is it not democratic to enable the children of our laboring people to acquire the rudiments of education?

Let me ask my learned and esteemed friend from Texas, the gentleman who has championed the opposition to this bill—one of those on the committee who for months refused to report it back to the House, the member who stood on this floor and demanded that the bill introduced on March 29 should be confided to the tender care of his committee, eight members of which, by their dilatory motions appeared to justify the apprehension that they sought to deprive the three hundred and seventeen other members of this House of the privilege of voting on or expressing their views upon this great measure—let me ask him, does he say it is not democratic to teach the alphabet to the poor and lowly? Let me ask him if the bill he introduced on May 3, for the establishment of a high school in Washington, was more democratic?

Is it democratic and constitutional to appropriate money for a high school in Washington to teach agriculture and mechanical arts and other accomplishments to the children of comparatively well-to-do office-holders and the children of the many wealthy people—some of them being millionaires—who have congregated in our capital?

I know my gallant friend will concur with me that it is not. I feel confident that his intelligence and generous sympathies will always be found among the advocates of education.

Let me ask some of the opponents of this bill if it is constitutional and democratic for Congress to appropriate or donate largely to universities where only the sons of the rich are educated and undemocratic or unconstitutional to give a small sum to common schools where the sons of poor men are taught the elements of learning?

It is a remarkable fact that nearly all the determined opponents of this bill, which is for the benefit of the poor and lowly, have been foremost in advocating bills to endow universities which the poor and lowly seldom enter. I know that upon reflection you all will say that true democracy tells us to espouse the cause of those who work; to give practical effect to the words of the Declaration of Independence which assert that all men are created equal.

THE WAGE-WORKER THE BENEFICIARY.

If then, Mr. Chairman, this amendment and the educational bill be strictly and clearly within the limitations of the Constitution as that great instrument has been interpreted by the Supreme Court, if it does not transcend the most rigid limitations upon the rights and powers of the General Government as understood and explained by the most earnest and zealous advocates of limitations and restrictions; if, in its theory as well as in its effect, it be in perfect harmony and complete accord with the principles and practice of the Democratic party, and expressly sanctioned by the latest authoritative enunciation of Democratic faith, upon what ground can any sincere Democrat consistently oppose it?

I can understand any and all antagonism to such a measure on the part of the Republicans, because all, or almost all, of the legislation for which that party is responsible has had for its effect, if not indeed for its immediate object, the material, the pecuniary benefit and advantage of the few at the expense of the many, to create a specially favored wealthy class whose peculiar privilege it shall be to bear no share, or the lightest possible share, of the burdens of Government, and to exact tribute in a myriad forms from the vast army of toilers who create the wealth in which these untaxed and pampered plutocrats are reveling.

DEMOCRACY AT WAR WITH PLUTOCRACY.

But, sir, between Democracy and plutocracy there exists in matters of legislation an endless and relentless war, and I think one is justified in feeling and expressing some surprise when he sees the Democrat uniting with the plutocrat to defeat a measure which must have the effect of improving the condition and increasing the prosperity and happiness of the multitude of laborers upon whom the plutocrat habitually preys.

What, sir, is the object of this amendment, and what is the object of the educational bill? It is to educate the people. To enable those whose lot in life, through no fault of their own, is hard and laborious, uncheered by comfort, and unilluminated by hope for themselves, to look forward to a brighter fate for their children.

The child is father to the man, and if the child grows up without enjoying the opportunities for education, he can not by any possibility become a prosperous citizen. Therefore, for the benefit of the child and for the good of the country, I appeal to the House to give to the children of our laborers those opportunities of obtaining an education which will be secured to them by this amendment or the educational bill.

Education is necessary to free man from the dominion of his passions; to enable judgment to rise superior to prejudice; to enable man to obtain a clear perception of his duty to himself, his neighbor, his country, and his God—for strictly and logically, though, perhaps, not theologically, conscience is, at least in a measure, the result of education.

Education dignifies and enlightens toil and sweetens its results by enlarging the toiler's capacity to enjoy whatever he may have gained. Education makes a good man, a good son, a good husband, a good father, and a good citizen.

The lack of education, if it does not necessitate the lack of this goodness in all of these relations, at least renders its existence less likely.

Ignorance engenders distrust, aggravates discontent, and ferments controversy and turbulence.

OPPOSITION SHOULD BE IMPOSSIBLE.

What American Representative dares avow by his vote that he does not wish to do all in his power to make every man in the United States a good citizen? If there be any such Representative he can conscientiously vote against the proposition I advocate.

What gentleman upon this floor dare proclaim to the world that he would limit the comforts and enjoyments of the great body of the people and doom their children to the hopeless bondage of ignorant, despairing servitude?

Let him vote against this measure, and he will take a long stride toward the accomplishment of his purpose.

What member of this House does not wish to raise the average standard of intelligence throughout our land and add to our country's greatness and prosperity?

If there be none who do not cherish this desire there can be no vote against measures designed to promote the cause of education.

Mr. Chairman, there may be, and possibly it is best there should be, difference of opinion among us as to questions of policy and measures of administration, but upon questions like this—questions which have for their sole and only possible object the alleviation of the sufferings, the mitigation of the hardships, the brightening of the hopes, the enlightening of the understandings of the poor but industrious laborers of this land of freemen—all differences should vanish and all should unite, not in the bestowal of a boon, but in the performance of this sacred duty to those who have made our country prosperous and great.

LOVE OF COUNTRY DICTATES ITS PASSAGE.

It is not enough, of itself, that man should be free; he should be able to fully realize and thoroughly appreciate the nature and extent of the blessings of freedom. It is not enough that a country should be prosperous and powerful; the virtue, the patriotism, and the manhood of its citizens demand that its prosperity shall be more generally diffused, and that its power shall be increased.

Adopt this amendment and you will have conferred the blessings upon the individual citizen; adopt this amendment and you will have insured that future grandeur of our country, which every patriot so proudly and so confidently anticipates.

We have sat here patiently, Mr. Chairman, and passed many measures the benefits of which would inure chiefly to our wealthy class. I now appeal to the House, let us devote a few hours to perfecting this measure so essential, so indispensable to the comfort, the happiness, the prosperity of the millions of toilers who have created the wealth of this great and prosperous Republic.

Fraudulent Entries of Public Lands.

REMARKS
OF
HON. WILLIAM S. HOLMAN,
OF INDIANA,
IN THE HOUSE OF REPRESENTATIVES,

Monday, June 28, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 9478) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1887, and for other purposes, the pending paragraph being:

"Protecting public lands: For the protection of public lands from illegal and fraudulent entry or appropriation, $90,000"—

Mr. HOLMAN said:

Mr. CHAIRMAN: As a motion designed to perfect the pending paragraph appropriating $90,000 to investigate the alleged fraudulent entries of public lands, before the pending motion to strike out the paragraph is put, I move to amend so as to make the appropriation $150,000.

It is not often that I submit a motion to increase the amount of an appropriation [laughter]; but I have listened to this debate with interest, and I certainly have not been convinced that there is not a widespread system of fraud extending throughout the land districts of

the United States. On the contrary, I am the more convinced that our public lands, which ought to be held as the sacred heritage of our people for homes and freeholds, are rapidly passing beyond the control of our Government and being appropriated by speculators, and in securing large landed estates to unscrupulous men, defeating the end of securing homes for our landless people. There is no doubt that enormous frauds have been committed in the entry of land in the Western States and Territories. You can pass through regions hundreds of miles in extent in the Territories of Dakota, Montana, and the most beautiful sections of the great Northwest without seeing any evidence of human settlement or habitation. Yet on visiting the land office you would be informed that every acre of those lands has been entered in some form or other—not an acre left for the actual settlers. Traveling over that region of country, which a few years ago was a vast public domain, you would have pointed out to you whole townships upon which there was not a settlement, not a house, not a shanty, no evidence of human life, yet every acre has been secured in some form or other by private parties, and in many instances in vast tracts—whole townships by a single citizen.

Is this anything new? Has not your attention, gentlemen, been called for years by the late Commissioner of the General Land Office, Mr. McFarland (whom I believe to have been an honest and upright officer), to the fact that frauds and fraudulent methods were widespread throughout the whole of the public-land district of the country? In looking at the report of the Commissioner of the Land Office for 1883 I am struck by the fact that almost a dozen different classes of frauds are mentioned. As far back as that report we find this system of frauds mentioned in detail under the following heads, "fraudulent pre-emption entries," fraudulent pre-emption filings," "fraudulent homestead entries," "fraudulent mineral-land entries," "fraudulent timber-culture entries," "fraudulent desert-land entries," "fraudulent timber-land entries," "fraudulent donation entries," "illegal fencing of the public lands," &c. And under these heads we have a whole chapter of frauds upon the public domain, and that Commissioner called for $400,000 to enable him to ferret out and defeat these frauds. Yet gentlemen propose deliberately to strike out this comparatively small appropriation of $90,000 designed to enable the Commissioner of the General Land Office to ferret out these frauds and restore the millions of acres, fraudulently entered, to the people.

The present Commissioner of the General Land Office has been denounced here in unmeasured terms. Yet no public officer of our time has in a period of peace rendered this Government as much valuable service as that Commissioner, General Sparks; and in the name of every landless and laboring man in America, I for one thank him for the good work he has done in behalf of the American people. I cheerfully move an increase of the appropriation to enable him more effectively to carry on his work. It was to be expected that when General Sparks with sturdy and resolute purpose placed himself between the public domain and the men of wealth who were seeking to appropriate large portions of its rich fields, at a nominal price, through fraudulent entries, to their own use, a good deal of indignation would be exhibited, and that here and there disappointed greed and avarice would find expression in the public press; but when that incorruptible public officer with steady purpose began to rend from these public robbers the rich estates they had apparently already secured, abuse and denunciation knew no limit.

When, sir, the land-grant railroad corporations saw their titles to millions of acres of lands falling to pieces under the impartial rulings of this new Land Commissioner there was a burst of rage at the great railroad centers, in some degree intensified by the fact that these corporations had apparently for years decided their own causes and had given construction to the laws under which they claimed the imperial estates which Congress had so lavishly granted. I pointed out years ago that one fatal result of these great land grants would be that under ordinary conditions the public corporations, created and enriched by Congress, would enter the great Departments of your Government and administer the laws under which their grants were held. With these great corporations and organized bodies of speculators and mercenary capitalists seeking to appropriate to themselves the remnants of all that was valuable in the once great public domain, what chance had the settler single-handed and alone?

While the great body of our people had indulged unfortunately in the delusion that the public domain was inexhaustible, and Congress had shown no special interest in the subject and seemed to act on the belief that an outlet for our growing population was of no pressing moment, the fact at least came to the knowledge of men vigilant in the race for fortune that the body of the public domain adapted to agriculture without a vast expenditure for artificial irrigation was of limited extent, and the fact was manifest to all men who cared to examine the subject that when the lands adapted to agriculture could no longer be secured at the nominal price charged by the Government an enormous advance in the price of wild lands would occur. The land-grant railroad corporations seemed fully informed on the subject, and all men who were watching the rapid increase of our population. The value of lakes and streams of water in the arid regions of the Western and especially of the Southwestern section of the Union was fully comprehended.

The land laws applicable to all the land States and Territories (except the five public-land States of the South) only permitted the entry of public lands adapted to agriculture on condition of settlement or improvement; such was and is the letter and spirit of the homestead, pre-emption, timber-culture, and desert-land laws. To reach, therefore, the agricultural lands, except for honest homestead settlement, these laws must be evaded. With such motives for seizing upon the valuable public lands every device to evade the laws that ingenuity could invent or cupidity suggest has been resorted to. Your public land system has been literally overrun and overmastered by capitalists of Europe and America and land jobbers of all nationalities in a fierce and unscrupulous struggle for your public lands, securing in a single year lands exceeding in the aggregate an average State of the Union, much the larger portion unsettled, showing conclusively that the land was entered in defiance of law for speculation and to found large private landed estates, and not for honest homestead settlement. Congress has refused up to this moment to repeal or modify the laws which rendered these frauds possible. The report of your Land Commissioner for 1876, ten years ago, shows that during that year only 6,524,326 acres of your public lands were disposed of, while the last report shows the entry last year of the enormous aggregate of 33,436,923 acres! Is there nothing in this to arouse public anxiety?

I ask you, sir, is it a matter of astonishment that in the midst of this high carnival, this riot of the unscrupulous and venal, of wealth and power, of British and Scotch lords, of incorporated capital, parceling out in great estates the grand inheritance of virgin lands which we received from our fathers and which they designed should become the free homes of free men, the appearance in your great Land Office of an upright public officer who could neither be overawed by power nor touched by the blandishments of great pretentions or purchased by wealth, but stood up resolute in the administration of his great trust in the spirit of the law—I say, sir, is it a matter of astonishment that such an event should have caused fiery indignation, and filled the land with loud and bitter denunciation from the foiled plunderers? No, sir, it was a natural result. But the outcome of all this is most assuring to the friends of free government. It did not take the American people long to understand the real issue. It was soon seen that it was a war waged by audacious venality and unblushing fraud on an upright public servant, whose only crime was that he administered with fearless fidelity a great public trust.

It was seen by all men that even when an error was committed it was in an honest effort to resist a torrent of fraud; that the complaints did not come from the honest settler on the public land, but that, however disguised, it was the cry of baffled and disappointed robbers.

Watching as I have done for twenty-five years the great landed interests of the American people, conscious as I have been through all these years of the overwhelming importance of reserving every acre of the public domain to actual settlers in limited estates, believing as I have always believed that upon the sturdy and independent freeholders of the Republic rested the permanency of our institutions and that no republic can long exist unless the great body of its citizens are independent freeholders, resisting as I have done ever since I first entered this Chamber every grant or disposal of public lands except in limited estates to actual settlers, I rejoiced that even at so late a day as the 21st day of January, 1884, this House in response to the awakened interest of the people in the question of their public lands, adopted by an overwhelming vote the following resolutions, which on that day I had the honor to submit to the House:

Resolved, That in the judgment of this House all the public lands heretofore granted to States and corporations to aid in the construction of railroads, so far as the same are now subject to forfeiture by reason of non-fulfillment of the conditions on which the grants were made, ought to be declared forfeited to the United States and restored to the public domain.

Resolved, That it is of the highest public interest that the laws touching the public lands should be so framed and administered as to ultimately secure freehold therein to the greatest number of citizens; and to that end all laws facilitating speculation in the public lands or authorizing or permitting the entry or purchase thereof in large bodies ought to be repealed, and all of the public lands adapted to agriculture (subject to bounty grants and those in aid of education) ought to be reserved for the benefit of actual and *bona fide* settlers, and disposed of under the provisions of the homestead laws only.

Resolved, That the Committee on the Public Lands is hereby instructed to report to the House bills to carry into effect the views expressed in the foregoing resolutions; that said committee shall be authorized to report such bills at any time, subject only to revenue and appropriation bills; and the same shall in like order be entitled to consideration.

I had surely some reason to rejoice over this action of the House when it is remembered how often an effort to secure a declaration of this House of its purposes in relation to the public lands had failed and that on the 18th day of January, 1869, the following resolution which I had submitted to the House was laid on the table by an overwhelming majority on a yea and nay vote:

Resolved, That grants of the public lands to corporations ought to be discontinued, and the whole of such lands ought to be held as a sacred trust to secure homesteads to actual settlers, and for no other purpose whatever.

The decision of the House on the 21st day of January, 1884, clearly indicated that this House and the country appreciated the importance of the land question and saw the mistake that had been made in the enormous grants to railroad corporations. Some progress has been made since the House declared its policy on the land question on the 21st day of January, 1884, in correcting the fatal mistakes of former years. Many millions of acres of land have already been restored to the public domain;

many millions more undoubtedly will be before this session of Congress adjourns; and the laws under which the great frauds have been perpetrated in the acquiring of the public lands for speculation and monopoly—the pre-emption law, the timber-culture law, and the desert-land law—will undoubtedly be repealed. These measures of reform will be of great value, and will aid in postponing the day when the public lands will cease to be available for homes for our people; and yet that day, which with prudent statesmanship ought not to have occurred for generations to come, will soon be upon us.

Our people are not yet fully aware how nearly the public domain is already appropriated to private ownership, and they never will appreciate the value of that once grand domain until its conversion into private estates shall leave the great body of our laboring and landless people without hope of independent and prosperous homes. Then, sir, the first great peril to our free institutions will be upon us. The rapidity with which this great public resource is being exhausted will be seen by referring to the last report of the Commissioner of the General Land Office.

The Commissioner states the disposal of the public land during the last fiscal year as follows:

From the reports of the subordinate divisions of this office, which are appended in detail, it appears that during the last fiscal year the sales, entries, and selections of public land under various acts of Congress relating thereto embrace 20,113,663.37 acres, and of Indian lands 881,850.21 acres, making a total of 20,995,513.58 acres, being a decrease, as compared with the year 1884, of 6,535,656.41 acres, and an increase over the year 1883 of 1,565,480.78 acres.

The receipts from the disposals of public lands are $7,686,114.80; from sales of Indian lands, $933,483.52; a total of $8,619,598.32, being a decrease, as compared with the year 1884, of $4,159,532.01, and with 1883 of $3,086,167.33, to which is to be added $8,821.86 for certified copies of records furnished by the General Land Office, making the total receipts for the year from all sources $8,628,420.18.

The following is a statement in detail:

CASH SALES.

	Acres.
Public sales	3,098.76
Private entries	473,023.84
Pre-emption entries	2,311,296.71
Timber and stone land entries	139,301.93
Desert-land entries	928,250.06
Mineral-land entries	35,215.02
Coal-land entries	3,675.19
Town-site entries	60.34
Excesses on homestead and other entries	17,209.75
Abandoned military reservations	1,318.89
Total cash sales	3,912,450.49

MISCELLANEOUS.

	Acres.	
Homestead entries (original)	7,415,885.53	
Timber-culture entries (original)	4,755,005.57	
Entries with military bounty-land warrants	26,833.18	
Entries with agricultural college scrip	961.83	
Entries with private land-claim scrip (Supreme Court)	7,944.37	
Entries with Valentine scrip	400.00	
Entries with Israel Dodge scrip	477.88	
Entries with Sioux half-breed scrip	358.85	
Donation entries	2,200.76	
Railroad selections	3,558,914.10	
Wagon-road selections	128,066.94	
Salt spring selections	1,286.43	
State selections—school, swamp, &c.	299,239.68	
Indian homestead entries	3,637.77	
Total miscellaneous disposals		16,201,212.89
Total area of public land entries and selections		20,113,663.38

INDIAN LANDS.

Cherokee school lands	119.70	
Cherokee scrip lands	267.86	
Kansas trust and diminished reserve lands	7,391.76	
Kansas trust lands	1,644.53	
Osage ceded lands	840.25	
Osage trust and diminished reserve lands	825,533.30	
Pawnee lands	78.15	
Sioux lands	4,455.32	
Ute lands	35,212.53	
Omaha lands	6,306.81	
		881,850.21
Grand total		20,995,515.59

The foregoing does not include the following final entries, the areas of which have previously been reported in the original entries of the respective classes:

	Acres.
Commuted homesteads (section 2301 Revised Statutes)	929,155.53
Commuted homesteads (act June 15, 1880)	198,288.22
Final desert-land entries	190,984.30
Final homestead entries	3,032,679.11
Final timber-culture entries	90,300.66
Total area previously reported	4,441,407.82

In addition to the foregoing, and not included in the total areas of current sales, entries, and selections, are pre-emption, homestead, and miscellaneous filings, namely:

	Acres.
Pre-emption filings	47,946
Miscellaneous filings	4,898
Total	52,844

The area of land embraced in these filings aggregates 8,000,000 acres.

CASH RECEIPTS.

From cash sales	$6,223,926 74
From homestead fees and commissions	836,999 85
From timber-culture fees and commissions	428,184 00
From military bounty land-warrant locations	870 50
From fees on scrip locations	76 00
From fees on pre-emption and other filings	146,089 00
From fees for reducing testimony to writing	659 88
From fees on donation claims	65 00
From fees on State selections	3,134 45
From fees on railroad selections	44,494 63
From fees on wagon-road selections	1,598 75
From fees on salt-spring selections	16 00
Total receipts from public lands	7,686,114 80
Receipts from disposal of Indian lands	933,483 52
Receipts from fees for transcripts of records furnished by the General Land Office	8,821 86
Total	8,628,420 18

It will be seen from the foregoing statement that during the last fiscal year the lands disposed of by the United States and placed forever beyond the reach of the great body of our landless people of this and the coming generation, greatly exceeds in the aggregate the area of the great State of Ohio, and that too in a single year! A careful examination of the foregoing statement shows the following facts:

	Acres.
Cash sales	3,912,450.49
Miscellaneous, including homestead entries	16,201,212.89
Indian lands disposed of	881,850.21
Grand total	20,995,515.59
Entries previously reported	4,441,407.82
Additional pre-emptions, homesteads, and miscellaneous filings, embracing	8,000,000.00
	33,436,923.41

All of this vast aggregate of our public land was finally disposed of during the last year or initiative steps taken for its acquisition. Thus, 33,436,923.41 acres, a body of land as large in the aggregate as the State of Indiana, and 12,000,000 acres more, all disposed of virtually in a single year!

It is hard for our people to appreciate the fact that in a few years the public domain, the magnificent gift of nature to mankind, the great factor in our progress and prosperity as a people, the grand possession that has rendered our republican institutions and national greatness possible will be a thing of the past, its conservative and life and hope giving power gone forever, and yet that is now inevitable.

The following table published in the last report of the Commissioner of the General Land Office embraces a statement of the public domain from the beginning, with a statement of the public land in every State and Territory in which the United States ever held or now holds public lands:

Tabular statement showing the total number of acres of public lands surveyed in the following land States and Territories up to June 30, 1884; also the total area of the public domain remaining unsurveyed within the same.

Land States and Territories.	Area of public lands in States and Territories.	Total number of acres of public lands surveyed up to June 30, 1884.	Total area of public and Indian lands remaining unsurveyed inclusive of the private land claims surveyed up to June 30, 1884.
	Acres.		
Alabama	32,462,115	32,462,115	
Arkansas	33,410,063	33,410,063	
California	100,992,640	68,130,539	32,862,101
Colorado	66,880,000	54,088,821	12,791,179
Florida	37,931,520	30,549,085	7,382,435
Illinois	35,465,093	35,465,093	
Indiana	21,637,760	21,637,760	
Iowa	35,228,800	35,228,800	
Kansas	51,770,240	51,770,240	
Louisiana	26,632,681	26,632,681	
Michigan	36,128,640	36,128,640	
Minnesota	53,459,840	41,631,867	11,827,973
Mississippi	30,179,840	30,179,840	
Missouri	41,836,931	41,836,931	
Nebraska	48,636,800	46,988,259	1,648,541
Nevada	71,737,600	31,767,405	39,970,195
Ohio	25,581,976	25,581,976	
Oregon	60,975,360	36,778,775	24,196,585
Wisconsin	34,511,360	34,511,360	
Alaska	369,529,600		369,529,600
Arizona	72,906,240	11,795,441	61,110,799
Dakota	96,506,480	41,299,300	55,207,180
Idaho	55,228,160	8,887,362	46,340,798
Indian Territory	40,481,600	27,003,990	13,477,610
Montana	92,016,640	16,225,021	75,791,619
New Mexico	77,568,640	43,673,551	33,895,089
Utah	54,064,640	12,269,828	41,794,812
Washington	44,796,160	19,950,395	24,845,765
Wyoming	62,645,120	43,054,987	19,590,133
Public Land strip	3,672,640		3,672,640
Total	1,814,965,179	938,940,125	876,025,054

It will be seen by a glance at this table that the great body of agri-

cultural land in the entire public domain has already ceased to be subject to disposal by the United States; the lands have been surveyed and disposed of in the main in the agricultural regions. Not all of the land surveyed has been disposed of, but the agricultural portion in the main. This table shows a remaining region of unsurveyed land of 876,025,054 acres, an immense aggregate of land; but of this vast aggregate 369,529,600 acres belong to Alaska, our northern possessions, where agriculture is impossible; it also embraces the vast mountain ranges lying between the Missouri and the Pacific Ocean, the millions of acres yet unsurveyed which you have granted to the Pacific and other railway corporations, the forfeiture of which is not yet declared, and a portion of which, many million acres, is now beyond your reach; it embraces also millions of acres which must be recognized as the property of the Indian tribes, and which must be disposed of by sale for their benefit, and can not be treated as a portion of the public domain, the common property of the American people. It embraces also the wide extended region of arid lands in New Mexico, Arizona, and Southern California which can only be made productive by an expensive system of irrigation. All these portions are to be deducted. How fearfully do these reductions shrivel the once grand domain we received from our fathers. That portion of that grand domain which has come to be the homes and freehold estates of our people in the great States of the Union and growing Territories is the pride and glory of the Republic. That vast portion surrendered to the greed of speculation, to venal and corrupt monopolists, and to the grasping and despotic power of corporations is a monument of national dishonor.

The one system of disposing of the public lands—that of our fathers—carried with it the freshness and vigor of youth; the other the decrepitude and feebleness of old age. The rapid development of resources and the activity in human affairs produced by consolidated wealth, which go hand in hand with the imperial estates which our land policy of recent years has produced, has no kinship with a republic in which the progress and independence of the individual citizen is the source of stability and the element of power.

The reason urged for the new land policy, in which the leading feature was grants of large portions of the public domain to railroad corporations, was the opening up of the country west of the Mississippi to settlement. Specious and plausible, yet in striking contrast with the policy which had converted the public domain from the western slope of the Alleghany Mountains to the Mississippi into freeholds of moderate extent—prosperous and independent homes throughout the whole magnificent expanse, exempt from the curse of a single great private landed estate.

Under the new policy a single generation has almost closed out the public possessions by a monopoly of lands in magnitude never before witnessed in the history of mankind, even where sovereigns have parceled out conquered provinces among the favorites of kingly or imperial courts. And to add to the misfortune, in this high-handed robbery of the people of their most valuable wealth, a new factor comes in, never known in the spoliations and robberies of former ages, by which multitudes of men become the serfs of a new imperial lordship—that of corporate power. Even a despotic master might be humane and just, while corporate power is unconscious of the sense of justice and as remorseless as death. Let the dealings of these land-grant railroad companies with the settlers whose lands were claimed to be within the limits of their grants bear witness. For when has the settler who by patient labor has opened and improved a farm which unhappily was claimed by one of these land-grant corporations to be within the limits of the grant—when has he, unaided and alone (no matter how dishonest the claim of the corporation), ever obtained justice? Let your own public records answer.

I wish the last report of the Commissioner of the General Land Office was within the reach of every citizen. It would explain in some degree how excessive fortunes are made, and the advantage that capital possesses in controlling our affairs and of monopolizing opportunities to convert public resources into private fortunes. In speaking of the "deposit system," by which citizens depositing money in a depository of the Government for that purpose may secure the survey of a given body of land and secure land scrip, to the extent of the deposit made, at the rate of $1.25 per acre, General Sparks, the Commissioner, in his last report says:

> Wealthy speculators and powerful syndicates covet the public domain, and a survey is the first step in the accomplishment of this desire. The bulk of deposit surveys has been made in timber districts and grazing regions, and the surveyed lands have been immediately entered under the timber-land, pre-emption, commuted homestead, timber-culture, and desert-land acts. So thoroughly organized has been the entire system of procuring the survey and making illegal entry of lands that agents and attorneys engaged in this business have been advised of every official proceeding and enabled to present entry applications for the lands at the very moment of the filing of the plats of survey in the local land offices. Prospectors employed by lumber firms and corporations seek out and report the most valuable timber tracts in California, Oregon, Washington Territory, or elsewhere; settlers' applications are manufactured as a basis for survey; contracts are entered into and pushed through the General Land Office in hot haste; a skeleton survey is made and full field-notes improvised for platting; the final acts of approval and acceptance are officially expedited; entry papers, made perfect in form by competent attorneys, are filed in bulk, and the manipulators enter into possession of the land and exploit its timber, which is shipped to foreign ports or sold to our own citizens at the market price of timber cut from private lands, or, as the case may be, the lands are retained for the advance of price which is to come from forest monopoly. This has been the course of proceeding heretofore. In a single case reported by special agents in California it was discovered that an English firm had obtained 100,000 acres of the choicest redwood lands in the State, worth perhaps an average of $100 per acre, while the cost of procuring surveys and fraudulent entries did not probably exceed $500 per quarter-section, or at the rate of $3 per acre.

Under the pre-emption laws, it is shown how men of wealth—European as well as American capitalists—have employed multitudes of men to enter lands for their benefit, thus securing vast estates of valuable land at the nominal price of $1.25 per acre, and by the same dishonest method monopolizing valuable streams of water and the lands surrounding magnificent lakes.

Millions of acres of the most valuable part of the remaining public domain have thus within the last few years—in fraud of the land laws—laws which contemplated *bona fide* settlements for homes only—been entered by speculators and capitalists seeking great landed estates, every acre of which ought to be restored to the public domain for settlement under the homestead laws by actual and *bona fide* settlers. Surely Congress will furnish to this earnest and incorruptible Commissioner of the General Land Office the means necessary to secure this result, so important to the integrity of the public service, of such commanding interest to the American people.

The Surplus in the Treasury.

SPEECH

OF

HON. WILLIAM WALLACE BROWN,

OF PENNSYLVANIA.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886,

On the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt; to which several amendments were offered.

Mr. BROWN, of Pennsylvania, said:

Mr. CHAIRMAN: I have voted for the amendment of the gentleman from Ohio [Mr. MCKINLEY] because I was willing to throw every protection about the legal reserve of one hundred million, but I shall vote for the resolution without the amendment for the reason, first, it is a censure against the management of the present administration of the Treasury Department, and, second, it instructs the Secretary of the Treasury to do just what all his predecessors have done in relation to the surplus ever since the resumption of specie payment.

The gentleman from Ohio [Mr. MCKINLEY] and the gentleman from Illinois [Mr. CANNON] have both given us the figures showing that on each 1st day of January since the year 1879 there has been only a balance of reserve above the one hundred millions provided by law for the redemption of the greenbacks—an amount running from five hundred thousand below to only fifteen million above. The policy was evidently always to pay out on the national debt just as fast as possible without invading the one hundred million reserve fund. When the present administration came into power this surplus was only about eight million. From that hour to the present it has been growing, until to-day it is over seventy million. If the present Secretary had been reducing the national interest-bearing-debt at the rate of his predecessors he might rest on his laurels and with some propriety hold on to his large reserve. But when it appears that the reduction he has made is less than one-third the average reduction of his predecessors since 1880, he should have used the utmost dollar he could possibly spare for the liquidation of the interest-bearing debt of the country.

All this talk about repudiation is the merest bosh. What lurking purpose to repudiate can be inferred from the actual payment of that debt to the extent of every dollar the Treasury can spare? If the seventy million surplus over that needed to fulfill the provisions of our statutes had all been paid over to the bondholders there would have been $70,000,000 less debt to repudiate. The less national debt there is at the end of each fiscal year the less there will be for any party so disposed to repudiate.

The present administration came into power pledged, so far as its stump orators could pledge it, to pay out all surplus upon the debt. They claimed that there was then a large surplus, some fixing the amount as high as $400,000,000, and charged that it was held for the purpose of perpetuating the debt to the longest possible period. They have failed to keep their pledges. It is time their memory was jogged a little.

This resolution has been too tardy in coming. Democracy is bound to go wrong always when it fails to follow the example set by the party that has managed our finances so faithfully and successfully during and since the war. I only hesitate as to what course I should take on this question because I think that in general full discretion in a matter of this kind should be left in the Secretary of the Treasury. But, sir, sixteen months is long enough to wait for him to go about paying the debt. He should before now have paid at least one hundred and fifteen million. He has paid a little more than fifty. This resolution will simply tell him to pay over the balance.

The Surplus in the Treasury—The Truth about Vice-President Hendricks.

SPEECH

OF

HON. JAMES E. CAMPBELL,

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886,

On the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt; to which several amendments were offered.

Mr. CAMPBELL, of Ohio, said:

Mr. CHAIRMAN: There is an old saying to the effect that a lie well stuck to is as good as the truth. Probably no lie, political or otherwise, has ever had wider circulation or more persistent utterance than the one which ascribes to the late Vice-President Hendricks the authorship of the statement that there were $400,000,000 of surplus money in the Federal Treasury. This allegation, which never had any foundation in fact, was originally made by the Republican newspapers in the campaign of 1884, and has been printed and mouthed so often, and so publicly, that many well-informed persons have believed it, and have honestly repeated it on this floor as well as elsewhere.

It would seem proper that a complete refutation of this charge against Mr. Hendricks should be spread on the CONGRESSIONAL RECORD and made a matter of public notoriety so that those gentlemen, if any, who hereafter arraign the late Vice-President as the fabricator of that monstrous statement may be known to have openly sinned against light and knowledge.

I am moved to these remarks by reason of the debate this day, in which gentlemen of the highest reputation for probity have fallen into the error of charging to Mr. Hendricks the gross mistake just referred to. For instance, my colleague [Mr. MCKINLEY] has alleged that this is charged, although no one would impute to him an intentional misstatement. The gentleman from Maine [Mr. REED] also undertook to twit the Democratic party with having sized-up the surplus in the Treasury in 1884 by the standing of the particular Democrat who might at the time be spinning campaign yarns. I quote from his speech:

It will be remembered, and indeed has been repeated here, that gentlemen of the Democratic party fought the last campaign on the statement that there was a large sum of money in the Treasury which ought to come out, and the size of that statement always depended upon the rank the man held in the party. [Laughter and applause.] The candidate for Vice-President boldly put it at $400,000,000, because the Democratic party would probably absorb more from him than they would from the gentleman from Pennsylvania [Mr. RANDALL], who only made it $300,000,000.

When such great men fall into error and unintentionally asperse the memory of a departed statesman, it is time to effectually settle this question in the interest of common veracity. The truth is, that the Republicans themselves started this story about the $400,000,000 surplus alleged to be in the Treasury. For years they have habitually boasted how little money the Treasury contained in 1861, when their party came into power, and how much had accumulated therein under Republican rule. In their anxiety to make a telling point in 1884—being hard pressed for campaign thunder—they put the sum then on hand at $400,000,000. That excellent gentleman, Major Calkins, who was then the Republican candidate for governor of Indiana, thought to delight the good Quakers at Richmond, in that State, by the astounding recital that the "grand old party" had garnered $400,000,000 into the Treasury, contrasting this fatness with the lean receptacle for public funds under the economical sway of the Democracy. This statement of the gallant major was repeated and commented on by Mr. Hendricks. In the mean time, it having become apparent that the people were not pleased with the spectacle of so much idle money in the Treasury, the Republican press joined in an unanimous cry that Mr. Hendricks was the inventor of this tale and that the surplus was really much less.

Now, let us see what Mr. Hendricks actually did say. On the 20th day of September, 1884, he opened the campaign in Ohio by a speech at the city of Hamilton, in that State. It was my pleasure to hear him there, and, that too, upon the very matter in controversy now. The stenographic report of that speech was published in all the leading newspapers of the country. I quote from the Cincinnati Enquirer of September 21, which announced, very truthfully, that Mr. Hendricks's speech was delivered before a great concourse of "the Lord's Anointed," meaning, of course, our Ohio Democracy. He said:

In the first place, are you aware of the revenue system and the amount of money that is being collected into the national Treasury? Are you aware that the money is to-day and has been for several years accumulating in the Treasury beyond the needs of the Government? I got myself into a scrape not very long since very unexpectedly, and my Republican friends would hardly believe how it occurred. I quoted the Republican candidate for governor in the State of Indiana in respect to the amount of money piled up in the Treasury. I supposed he had investigated the subject, and I was quoting what he said; and I have been abused very roundly by Republican papers for having made the statement. What do you think the statement was? At Richmond, Ind., in his speech, the Republican candidate for governor stated that when the Republican party came into power it found an empty Treasury, but now it has $400,000,000 in the Treasury; and I repeated it upon his authority, and only upon his authority.

Thus it is seen that the vain glory of Republican stump speakers caused it to be generally circulated that there were $400,000,000 in the Treasury in 1884, and that it was not the assertion of the late Vice-President.

Perhaps it would now be in order for my eloquent colleague [Mr. MCKINLEY] and the sarcastic gentleman from Maine [Mr. REED] to turn their batteries upon Major Calkins and the other Republican orators of that campaign in which they met such a deserved and disastrous defeat.

The Surplus in the Treasury.

SPEECH

OF

HON. WILLIAM T. PRICE,

OF WISCONSIN,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886,

On the joint resolution (H. Res. 126) directing the payment of the surplus in the Treasury on the public debt; to which several amendments were offered.

Mr. PRICE said:

Mr. CHAIRMAN: This is a proposition to use all the available surplus in the United States Treasury in reducing the interest-bearing national debt; and as it seems to be the only way that such moneys can be released and put in circulation I will vote for it, because no money should lie idly there—that is, our own—and none that is held by us in trust should be used for any other purpose than to discharge that trust.

I would much prefer to use the fifty, seventy-five, or one hundred million for which we have no other use in building a navy or fortifying our seacoast or paying our non-interest-bearing debts, but as I can not do that I am willing to release it in this way.

But the amendment of the gentleman from Ohio [Mr. MCKINLEY] ought to be adopted, because without it it would be possible for the Secretary to trench upon the $100,000,000 which has been set aside by law to redeem so much of the $346,681,012 of national-bank notes as may be presented for redemption.

And the amendment of the gentleman from Ohio [Mr. WARNER] ought to be adopted, because without that amendment a contraction of our circulating medium would inevitably follow that would seriously and disastrously affect the debtor classes, who, as a rule, are the classes who are controlling the creative industries of the country.

And that raises the old question which has arrayed the debtor and creditor classes against each other since the organization of human government. Double the volume of money and you double the price of labor and labors products. Take one-half of our circulation out of existence and you reduce one-half of the value of labor and the products of labor. One course would be unjust to the creditor, the other to the debtor; both should be avoided, because each is unjust to one or the other of these classes of our citizens.

In the consideration of these financial questions, therefore, we should never lose sight of the underlying and fundamental principle that the relations of the volume of circulating medium toward the volume of our commerce should be maintained as nearly as practicable to those sustained by them at the time the obligations were incurred or debts created.

To do this the most reliable basis of circulation would probably be upon our whole population; and taking that as the basis, and it is easily seen that our population is rapidly increasing, and under the pressure of the creditor classes, to which pressure our present and past Presidents and ministers of finance have continually yielded, a constant contraction has been going on.

July 9, 1885, there were on deposit with the United States Treasurer bonds to the amount of $311,544,300, which authorized a circulation of $280,390,870 national-bank notes. July 9, 1886, these bonds had shrunk to $275,382,800 and the authorized circulation to $247,844,520. In one year a shrinkage of $36,161,500 of bonds and of circulation of $32,546,350, or $2,720 per month.

I can readily see how the Representatives on this floor of the money centers of the country can advocate a further contraction, but I can not understand how the Representatives of the West, which in developing the natural resources of the country is in debt, can fail to jealously guard against such a policy.

You pass this resolution without the Warner amendment and you secure a further contraction of seventy-five or one hundred millions in the next seven or ten months, and nothing to take its place except the silver coinage, which is only about sufficient to neutralize our increasing population.

I can not agree with gentlemen who claim that the surplus in the

Treasury was four hundred millions during the last political canvass, nor can I agree with the conclusions of those who claim that there is now seventy-eight millions, but in this last I may be mistaken, as under the present mode of making the balance sheets good book-keepers might very easily disagree as to the result.

I append herewith a balance sheet as I think it ought to be made; and if so, there is $104,611,531 now in the Treasury that could be used without trenching on any of the trust funds or of the one hundred millions of reserve:

Condition of the Treasury of the United States.

We have got—

Gold coin and bullion	$232,838,123
Silver coin and bullion	184,345,765
United States notes	41,118,316
National-bank notes and deposits, national-bank depositories	14,435,199
Fractional currency, bonds, checks, and coupons	3,839,203
National-bank notes in process of redemption	3,840,402
Interest on District bonds	590
Fractional silver	29,282,495
All we have	509,700,093

And we owe—

Gold certificates	$131,174,245	
Silver certificates	115,977,675	
Certificates	18,500,000	
Interest, &c	22,791,647	
Held for redemption of national-bank circulation	70,693,820	
Total liabilities		359,137,387
Balance in Treasury not appropriated		150,662,706
Reserve to reduce greenbacks		100,000,000
Balance		50,662,706
Add certificates on hand		83,231,320
		133,894,026
Deduct fractional silver not available to pay debts		29,282,495
Total sum lying idle and available to pay debts		104,611,531

The Surplus in the Treasury.

SPEECH

OF

HON. RALPH PLUMB,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886,

On the joint resolution (H. Res. 126) directing the payment of the surplus in the Treasury on the public debt; to which several amendments were offered.

Mr. PLUMB said:

Mr. CHAIRMAN: Secretary Manning reports the interest-bearing debt of the Government March 4, 1885, to be $1,260,772,612. Assistant Secretary Fairchild, on the 1st of June, 1886—the administration then having been fifteen months in power—states the interest-bearing debt at $1,220,650,312, showing a reduction from the commencement of the present administration to June 1st of $40,122,300. The same authority shows an increase of cash in the Treasury for the same period of $105,510,341.50, exclusive of $100,000,000 gold coin which has been kept on hand for the redemption of the Treasury notes in circulation.

These statements are here quoted for the purpose of getting at the condition of the Treasury, and of ascertaining, if possible, the financial policy of the administration—if, indeed, such a thing as a well-defined policy of administering the finances of the Government has an existence—and for the purpose of comparing Democratic promises with Democratic performances, as well as to show the enormous difference between the debt-paying record of the two great parties while each has been intrusted with the administration of the Government.

The Democratic party came into power on the cry of reform, and one of the important declarations in their platform was "that a change is necessary is proven by the existing surplus of more than $100,000,000 in the Treasury." This declaration was supplemented by Democratic stump orators, headed by the late Vice-President Hendricks, who assured voters that not one hundred million only, but four times that sum lay idle in the Treasury and should be promptly disbursed for the benefit of the tax-payer; and, sir, it was on this false pretense industriously circulated and everywhere insisted upon, as much as any one thing, that the Democratic party came into power.

These statements, Mr. Chairman, were all false; the money in the Treasury, amounting to over $400,000,000, was held there in trust for the several purposes which were so clearly and correctly stated by my colleague, the chairman of the Committee on Ways and Means, Mr. MORRISON.

The balance available for the reduction of the public debt has been largely increased since the advent of the present administration, and, as has been stated, amounted to over $100,000,000 on the 1st of June, 1886.

As I have already stated, the actual reduction of the interest-bearing debt by the administration to June 1, 1886, is $40,122,300, which shows a monthly reduction averaging $2,674,820 each month.

Now, sir, the record made by the Republicans shows in four years of President Arthur's administration the interest-bearing debt to have been reduced as follows:

1881	$120,730,800
1882	162,289,150
1883	115,360,300
1884	80,737,700
Total	479,117,950

In four years, or an average monthly reduction of $9,773,290, making a difference in favor of Republican debt paying of $7,098,470 every month.

Mr. Chairman, we now begin to understand why it was that the remarkable method pointed out by the gentleman from New York [Mr. HEWITT] was adopted by the chairman of the Ways and Means Committee [Mr. MORRISON], a method which was characterized by Mr. HEWITT as a "device" to do by indirection what could not be otherwise accomplished.

It is plain, sir, that the gentleman from Illinois who yesterday presented to the House in his usual clear and concise manner the arguments in favor of his resolution—arguments that I have no purpose or desire to refute in this discussion—I say it is plain that the leader of the Democratic party on this floor feels, and ever since the introduction of this resolution has felt most keenly the awkwardness of the dilemma in which his party is left before the people on this question of the reduction of the public debt.

Promises, high-sounding on the stump, and solemn promises in the party platform have not been kept; aye, sir, and what is worse, those promises can not be kept, for the reason that the counsels of the Democratic party on this, as on every other question of revenue and finance, are divided. The gentleman who sits in his office at the other end of the Avenue with his coat off vetoing widows' pensions, in the interest of what men of money call economy, is pledged to do the bidding of New York on this question, without regard to the promises made in the Chicago platform; and that, sir, is a fact so stubborn that the chairman of the Ways and Means Committee, and every other Democratic Congressman from the West, is obliged to recognize it and to govern themselves accordingly.

What less could he do, Mr. Chairman, under the circumstances, than to report and advocate this resolution, with the hope that although it would never get to the President, and would never influence the Secretary of the Treasury, it would, nevertheless, be of service as the best apology in the power of these Western Democratic Congressmen to make to their deceived supporters on the important question of the promised rapid payment of the public debt?

Mr. Chairman, in my opinion there is nothing in this proposed legislation in the shape of giving direction to the Secretary of the Treasury. It is a farce from beginning to end, so far as any practical result is to be attained.

Why, sir, the Secretary of the Treasury is already authorized to pay off the public debt as fast as the accumulation in the Treasury will justify. If it were not so, then indeed it would be the duty of Congress tto instruct him by proper legislation, for the people do not desire that large accumulations of money not required for reserves should lie unused in the Treasury.

If the question of paying out the gold now kept as a redemption fund for the three hundred and forty-six millions of Treasury notes was before us in a serious way, if a vote on such a question meant anything, I for one should be in favor of putting it where it would do the most good—into circulation, paying off interest-bearing debt, relieving taxation, and increasing the volume of currency.

The greenback is the best money in this country; it is the safest and most convenient of all money in use; it has conferred upon it by law every quality that money needs to equip it with the power to do the work of money for the American people. It is a legal tender for all amounts, made so by a law that the Supreme Court, with great unanimity sustains, not only for the purposes of war but of peace, and what is better still it enjoys the unshaken confidence of the people. Both gold, silver, and greenbacks are redeemed every time they effect an exchange of commodities or pay a debt; and it is in this way that all real money needs to be redeemed. Gold, silver, and Treasury notes, issued by Government—the former represented when need be by certificates for convenience in handling—make a currency than which there is no better in existence.

Mr. Chairman, the people of the United States have just reason to be proud of their financial system, and especially of the national banks, which constitute an important part of that system.

This is no occasion for entering upon a discussion of the national-bank question, but in passing it may be said that, as the system stands, it is the best ever instituted in this or any other country. With a modification which would relieve them from issuing circulation, on such just

conditions as might be devised, the national-bank system would be perfected.

Mr. Chairman, I can see no necessity for the passage of the resolution recommended by a majority of the Ways and Means Committe. The Secretary of the Treasury has already all needed authority to call bonds as fast as the condition of the Treasury makes it advisable to do so; in fact, sir, the present Secretary must so regard it, for he has called just enough bonds to show that he knows how to do it. The fact is apparent that this is nothing more nor less than a "device," as the gentleman from New York [Mr. HEWITT] terms it, by which one faction of the dominant party seeks to control and direct the action of the Secretary of the Treasury.

On the question of finance, as well as on that of revenue and of civil service, the party in power is hopelessly divided. They are represented on this floor by three distinct leaders, each able and uncompromising, and each faction seeks the aid of the minority to carry its points.

It may be a hopeless and useless endeavor for the minority here to aid in trying to make the Secretary of the Treasury fulfill the promise of reform on which his party came into power, and use idle money in reducing the public debt; but being willing to undertake the difficult task I shall vote for the resolution.

The honorable gentleman from my own State, who presides over the Committee on Ways and Means, is an able exponent of Western ideas on the subject of finance. He draws his inspiration from one of the great Republican States of the West; he is anxious, no doubt, to have the promises of the Chicago platform redeemed; but alas, for his hopes, the Executive he has helped to place in the Presidential chair gets his inspiration from a different source, and so does the Secretary of the Treasury; that source is the moneyed men of the East; and this influence will continue to control the course of the administration whatever may be the vote of this House on the resolution before us.

The Surplus in the Treasury.

SPEECH

OF

HON. JOHN V. L. FINDLAY,

OF MARYLAND,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886,

On the joint resolution (H. Res. 126) directing the payment of the surplus in the Treasury on the public debt; to which several amendments were offered.

Mr. FINDLAY said:

Mr. CHAIRMAN: I am opposed to this resolution, because it restrains the discretion of the Secretary of the Treasury in a matter over which it would be wiser, in my opinion, to give him full control.

The vice of the resolution consists in confounding a surplus with a reserve fund pledged by custom and strong implication of law to the redemption of the legal-tender notes. (See chapter 290, first session, acts of Forty-seventh Congress, July 12, 1882, section 12.) These notes in round numbers amount to $346,000,000. To these are to be added $311,000,000 national-bank notes, the two together constituting the paper or representative currency of the country; in all, say $656,000,000. One hundred millions in gold is, in my opinion, too small a sum to be held in reserve for the redemption of this paper. In Great Britain the specie reserve is one of gold to two of paper, or about that ratio. In France it is still greater.

There is nothing in the resolution and the debate on the different amendments showing that it is not the intention of the resolution to restrain an invasion upon this reserve. All the amendments for this purpose have been rejected. But even if this were not true I believe that the Secretary should have a working balance in the Treasury, which the resolution will not allow him.

But the resolution is wrong, in my opinion, for another reason. It has been stated that if the reserve is drawn down to the danger-point the Secretary may sell bonds and bring it up again. But what can be the sense of reducing the reserve to redeem bonds, and then issuing new bonds to add to the reserve? The reserve is to be taken to pay debts, and these debts are to be created to bring the reserve back again to its former condition. I see no sense in this seesawing.

What this House ought to do is to reduce revenues, or better still use the revenues of the country for the purpose of strengthening its position. Whatever surplus can be safely spared should be applied to building up the Navy and erecting new and strengthening old coast defenses. But if the House refuses to enter upon this policy, then surely it is wiser to stop the money coming into the Treasury, in other words, leaving it in the people's pockets, than it is to be forced to invent the means by which the surplus can be got rid of. The debt redeemable at the pleasure of the Government is about $144,000,000, not taking into the account outstanding calls. When this sum is used up there will be no debt to redeem until 1891, when the four-and-a-halfs will be redeemable amounting to $200,000,000, round numbers.

Between September 1, 1891 and 1907, when the fours fall due, there will be none of the public debt proper subject to redemption. Ought we not now to determine upon some fiscal policy by which the finances of the country are to be managed, instead of resorting to a nibbling expedient like this, which promises only annoyance and vexation to the management of the Treasury, without any corresponding relief to the people. It is said, I know, that these millions to be set free from the Treasury are to flow in an irrigating stream along the arid plains of industry and commerce, and make them blossom again as the rose.

But who are the principal holders of the bonds? The banks undoubtedly. And if they were not, this demand for their immediate redemption would not be so noisy. It is notorious that the banks now are loaded up with idle money, and the only effect, therefore, of this resolution will be to increase the stock. Instead of more money getting into circulation by this means you will only add a few more millions to the idle sums now held by the banks; in other words, you will only change the place of rest and stagnation of this fund from the Treasury, where it serves a useful purpose, to the banks, where it will not only be idle but functionless.

It is a great mistake, I think, to suppose that a specie reserve is useless simply because it happens to be in a state of rest instead of motion or circulation. The idea underlying this fallacy is the basis of all the projects for paper currencies which have afflicted mankind. By the constant use of paper representatives of money we come to regard the symbol as the thing itself, and mistake the shadow for the substance. Everything that passes as money is very naturally treated as money, and as long as credit and confidence are maintained there is no harm done by this kind of circulation. But notwithstanding this, it is nevertheless true that a legal-tender note commonly called the greenback is not money, but a promise to pay money. Every dollar of this currency so recites upon its face. It does not say "I am a dollar," but it says that the United States will pay a dollar to the bearer. That dollar by the strengthening-credit resolution of the 18th of March, 1869, is a coined dollar. By the provisions of that resolution these promises of the Government to pay are made expressly redeemable in coin. What else is there to redeem a promissory note with?

Greenbacks, by the express decision of the Supreme Court, are a legal tender in the discharge of private debts; and being the equal of coin by virtue of their convertibility into it, are received by the Government in payment of its dues. But the Supreme Court never held that a greenback could work out its own salvation and redeem itself. There must be specie behind it to be had on the asking, or the greenback will depreciate. The paper on which it is printed and the pictures and legends stamped upon it cost so little in each individual piece of money as to make it almost valueless. What gives it its value, and therefore its currency, is the faith that it can be immediately converted into that of which it is the representative—that is, coined money which is intrinsically valuable, the standard and measure of all other values.

It has been stated in argument that there was no use for the $100,000,000 specie reserve, because not a single dollar of the greenback currency had ever been presented for redemption. It is difficult to notice that such an argument as that could either have been made or listened to by sensible men. Everybody, out of Congress at least, knows that the greenbacks have not been presented for redemption for the simple reason that their holders knew the Government was able to redeem them whenever presented. Everybody, with the same limitation, also knows that the very moment this belief was shaken and men began to doubt whether the Government could or would redeem, that moment there would be a rush and a panic conducted on the principle of the devil taking care of the hindmost. I will never give my consent to any financial theory which ignores a fair specie reserve as absolutely essential to the credit of a paper currency, and as I regard this resolution as a step in that direction it follows that the measure can not receive my approval.

But, as I have before intimated, now is the time for settling the terms of some broad, comprehensive, and permanent fiscal policy, if for no other reason, to get rid of these little teasing expedients, which if they were purely harmless accomplish nothing and determine nothing. A farmer with a bottom but fertile piece of ground, when he wishes to reclaim it from the waters that settle there, finds it more practical and economical to stop the flow than to be all the time engaged in draining the accumulations off. A ship-owner with a leaky vessel finds it much more sensible to stop up the leaks than to expend his energies in pumping the water out of the hold. So, here, the United States ought to stop the surplus getting into the Treasury instead of resorting to doubtful expedients to get it out. Sooner or later it will be forced to adopt this policy. If the present ratio of expenditures and receipts is maintained after 1891, the surplus will be maintained and there will be no debt to which it can be applied. There is said to be a surplus of $76,000,000 over and above the specie reserve of $100,000,000, which in my opinion it is a misnomer to call a surplus.

In his admirable report upon this subject Mr. HEWITT has stated what every business man will confirm, that a working balance equal to about a month's disbursements is absolutely essential to the proper

administration of the uncertain and intricate movement of Treasury receipts and expenditures. He estimates roughly that $30,000,000, on the basis of the receipt of $1,000,000 per day, would not be an excessive balance for this purpose. This would leave some $46,000,000 undisposed of.

On the 3d of May last I offered a joint resolution for the repeal of the tobacco tax, special and otherwise, inclusive of course of the tax on cigars, &c. This would have reduced the surplus about $30,000,000, leaving about $16,000,000 more, which could readily have been disposed of by some judicious tariff reductions. The Committee on Ways and Means reported this resolution back to the House on the 10th of July with a recommendation that it should not pass.

The principle reason given for this adverse conclusion is that the abolition of this tax would render it impossible to remove the burdens imposed by the tariff upon the industries of the country. An elaborate argument is made to show that two things have been lowered in price, namely, wool and iron, in answer to one of the preambles to the resolution, that *all* things which enter into the present consumption of man have been so cheapened, and the further argument is then made that the tariff by the ruinous competitions it engenders, and not as the peaceful sequence of the protection it affords, has been the cause of this reduction in price in the two articles named.

I am not going to make a tariff speech, still less attempt at this time to answer the several propositions of the report. But I have this to say as bearing upon the subject immediately in hand, that the policy which refuses to remove one tax because it can not get rid of another, and at a time, too, when it has been twice demonstrated in the last two years, and each time with conspicuous emphasis, that the country is not yet prepared to adopt any line of tariff changes such as that indicated by the report, is, to say the least of it, of very questionable soundness. Why the farmers of Kentucky, Pennsylvania, Ohio, Maryland, Virginia, Missouri, North Carolina, Connecticut, and other tobacco-growing States, as well as the cigar-makers and manufacturers of limited capital, should be subjected to espionage and vexatious rules and regulations, and the last-named class to exacting taxes, both special and stamp, as well as to bonds, besides being the victims of the harassing regulations referred to, simply because the manufacturers of the country enjoy the bounty of a protective tariff, is a question which I am sorry I can not answer with the same ease with which it appears to have been disposed of in this report.

Every tax is an evil. It may be contended that a man had better pay a tax on his cigar, or the tobacco in his pipe or pocket, than on the clothes on his back or the blanket on his bed. Granted. But suppose he is paying a tax upon both and asks to be relieved from one, is it any comfort to him to be told we can not grant you relief, because if we do we are afraid we will not be able to extricate you from the other? Suppose even the wisdom of this is conceded, what shall we say in reply to him if he asks the question, What is the prospect of my being relieved from the other? Will any one pretend that a Kentucky farmer or dealer in tobacco would say that he was content to stand both taxes on the remote contingency of an abatement in each rather than take what he can get now, the repeal of the one which galls him the most—the one to which he is the least accustomed, the one which is foreign to the traditions of a free people and has only been specially imposed in times of war to meet extraordinary emergencies?

But whatever may be the case with the farmer, or the dealer, or the payer of this tax, is it not plain as a mere fiscal proposition, disconnected with all other considerations, that when revenues are redundant taxes should be decreased or abolished; that a reduction of revenue is in the nature of things better than the distribution of surplus, and that any other policy is putting the cart before the horse?

In my opinion, if we appropriated the revenues in putting the country in a proper defensive position there would be no occasion to deal with this surplus; but failing this, and treating reduction as the fixed policy of the country, I will vote for no resolution defining the fiscal policy of the country which does not propose the means by which its redundant revenues shall be brought back to their ordinary volume and channels.

Let us suppose 1891 upon us and nothing done in this direction in the mean time. What is proposed for the sixteen years of interval until the 4 per cent. debt matures in 1907? Will the same old tit-for-tat, dog-in-the-manger, do-nothing policy be pursued? Shall we hear it then as we hear it now, "If you are not willing to swap internal revenue as against tariff, or some parts of each, we will not trade at all?" As if this were a subject for bargain or barter! A tax is a tax. Thirty million dollars is just that sum to a cent, whether it comes out of tobacco or wool, and if the revenues are excessive by that amount there is no wisdom in refusing to reduce them simply because it is impossible to reduce some other tax, even conceding it is more onerous.

In making these remarks I have not thought of the national banks and the bearing of the resolution upon them. They must put their house in order and get ready for a change in a comparatively short time whether the resolution becomes a law or not. They are built upon foundations that will necessarily crumble into pieces in course of time, because the debt of the Government will eventually be paid. They have given us the best currency and the most stable banking system we have ever had, but I do not believe that a national debt is a blessing, and I have, therefore, no desire to perpetuate the security upon which these institutions are founded. All that I have said or intended to say was, that a resolution vaguely drawn so as to be susceptible of a construction which would impair the specie revenue held for the redemption of legal-tender notes, and at the same time destroy the working balance in the Treasury which experience has demonstrated to be necessary, and all proceeding upon the indefinite continuance of redundant revenues, without any policy or provision for their diminution, could not receive my approval or support.

Tensas River and Bayou Macon.

SPEECH

OF

HON. J. FLOYD KING,

OF LOUISIANA.

IN THE HOUSE OF REPRESENTATIVES,

Saturday, May 1, 1886,

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes.

Mr. KING said:

Mr. CHAIRMAN: I would like to submit a few facts to the House, and through it to the public whose ear has been so often abused by complaints scattered broadcast against what has been called "the log-rolling river and harbor bill." I will take for my text lines 712 and 713 on page 30 of the bill now before the committee. They are:

Improving Tensas River and Bayou Macon, Louisiana: Continuing improvement, $4,000.

The Tensas River rises in Lake Providence, in the northeastern part of Louisiana; flows in a southerly direction through a rich alluvial district, and unites with Ouachita and Little Rivers at Trinity, La. These three form the Black River, and, as united, continue (as the Black) to the southward, joining the Red River near its mouth. The length of the Tensas from its source to its junction with the Ouachita is 205 miles, and it is navigable from November to July, inclusive, for vessels drawing 3½ and 5 feet, between Dallas, La., and its mouth, a distance of 180 miles.

Bayou Macon rises in Desha County, Southeastern Arkansas; flows in a general southerly direction, and joins the Tensas 40 miles above the mouth of that river. Both streams drain a rich cotton and corn-producing and stock-raising country, and are navigated by steamboats which carry their products to the markets and bring back assorted cargoes of supplies, provisions, clothing, &c. Bayou Macon is 200 miles long to its junction with the Tensas.

For these rivers the appropriations have been made as one. The first governmental examination was made, pursuant to act of Congress, in 1880, and resulted in a project for removing snags, logs, wrecks, and leaning timber, for the purpose of securing safe navigation. And it was estimated that this could be done in both rivers for $40,000—being $23,000 for the Tensas and $17,000 for Bayou Macon. Up to 1885 we had appropriated $7,000; that is, $3,000 for 1881–'82, and $4,000 for 1884–'85. Last year the appropriation failed along with the river and harbor bill itself. This year (1886–'87) we appropriate $4,000. These sums are so small that the improvement works are likely to drag their slow length along in so lingering a fashion that few of us elders will be likely to live long enough to see them completed. The amount allowed each year is soon exhausted, the works are stopped, the engineers and workmen discharged, and the vessels annually laid up or sent to other streams more liberally treated, while yet whole months of profitable work might be theirs. Thus it is impossible, with the small portion of improvements thus far completed, to state with any certainty what amount of good has been done. And yet, annually down these two streams are carried from 20,000 to 30,000 bales of cotton and 100,000 sacks of cotton-seed, while the return freight is estimated at not less than $35,000 a year.

It seems strange that objection should be made to an appropriation for the improvement of two streams whose annual commerce amounts to more than forty times the amount of the whole sum asked for; and which has thus far been doled out in pitiful morsels which are expended in a few months. But thus it is; and I think I have made it clear that there is no "grab game" intended to be played in the project for the improvement of the Tenas and the Macon. Since my advent in Congress I have repeatedly introduced measures looking to the annual appropriation of at least $20,000 for the improvement of these streams, which sums I am satisfied could be profitably expended in procuring safe navigation throughout their entire length. The first appropriation ever made for them and all subsequent ones were made at my in-

stance, and it was strongly against my desire that they were made in such small and insufficient sums.

I take occasion to repeat here, Mr. Chairman, what I have said on other occasions on the subject of these improvements; that is, the work on them should be let out to local contractors under properly guarded restrictions. They can be found in that section of the country, and men of industry, honesty, and competent to perform the work to be done. This and all kindred measures are for securing cheap freights for the people, who pay the taxes and are entitled to such benefits.

Treasury Surplus.

SPEECH

OF

HON. GEORGE E. SENEY,

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886.

On the joint resolution (H. Res. 126) directing the payment of the surplus in the Treasury on the public debt; to which several amendments were offered.

Mr. SENEY said:

Mr. CHAIRMAN: Official reports, year after year, show that there is a large sum of money in the Treasury which plays no part in the financial transactions of the Government. This money is in underground vaults, behind bars and bolts and locks, and is carefully guarded day and night at no inconsiderable expense to the people. This vast sum of money we are accustomed to call the surplus in the Treasury. It is called the surplus, I suppose, because it is not needed to meet the demands, ordinary or extraordinary, of the Government. Why, then, should it be in the United States Treasury rather than in the pockets of the people? In the Treasury it is idle and useless, and can not possibly benefit the Government or the people. Outside of these vaults it is never seen, and inside it is seldom touched.

What good can come to the people, or the Government, by keeping money, bag upon bag, piled in the dark and dingy vaults of the Treasury? When, if not now, will it come forth from its dreary abode? As long as it remains where it is it is of no more value, practically, than so many chips and whetstones.

As well might the vast pile be dumped into the Potomac. Sink it at some fathomless point in the ocean and the world will be as much benefited as it is by keeping it under constant lock and key in the vaults of the United States Treasury. The surplus out of the Treasury would in due time work its way into the channels of trade, and thus help, in some degree, to relieve the depression under which the business and labor interests of the country now suffer.

The Government is deeply in debt. We pay large sums of money each year as interest upon what we owe. Complaints reach us from all parts of the country that taxation is burdensome. We can give our people some relief by applying this surplus in the reduction of the interest-bearing debt. Appropriate of the surplus what is proposed by the resolution we are considering and we will make a yearly saving of $2,100,000 in interest.

In addition to this the debt itself will be reduced $70,000,000. The question before us ought to be solved upon sound business principles. Others may consider it from a political standpoint; but for my part it shall have no thought not suggested by what I conceive to be the best interests of the people. If we can, by the use of this surplus, pay $70,000,000 of our interest-bearing debt, and thereby save the people from the payment of $2,100,000 yearly interest, why, sir, ought not this measure to pass?

I am sure, sir, that no one of us would advise a friend to hold on to his money when he could use it in paying an interest-bearing debt. In a mere matter of business our advice to the Government ought not to be different from that which we give to our friends. If we do not apply this surplus upon the public debt there is great danger, sir, that it will be legislated out of the Treasury for purposes in which the people have little or no concern. As long as it remains unappropriated, it is a strong temptation for extravagance in public expenditures. Scheme after scheme has been devised to get this money out of the Treasury.

Not a great while ago it was proposed, if not by the Republican party certainly by its late candidate for the Presidency, to divide the Treasury surplus between the States.

We all know that those who say, and possibly, believe, that the peace and perpetuity of our Government is in great peril because a few of our population are unable to read and write, have been after this surplus for years. They tell us that they want it to build school-houses, establish schools, and to educate for school-teachers the young men and women of the country. This scheme for getting rid of all surplus money now in the Treasury, and all which may be accumulated for years, it will be remembered, passed the Senate in the last Congress and also in this; and it is among the possibilities that before the close of the present Congress it may pass the House.

It may be, sir, that before winter sets in, or the coming spring opens, that under the pretense of aiding commerce between a few States, the Government will be spending this money in digging canals and the construction of other water ways. These are some of the organized schemes for relieving the Treasury of the money now idle in its vaults.

View this matter as we may, it is very doubtful whether or not the people will get any substantial benefit from this surplus unless it is applied, and that soon, upon the public debt.

But we are told that if this surplus is taken from the Treasury it will weaken the credit of the Government. The public will have less confidence in the ability of the Government to pay its debts, says the distinguished gentleman from New York [Mr. HEWITT], if this money gets out of the Treasury and into the pockets of the people.

Mr. Chairman, it can not be possible that the public credit would be affected in the remotest degree by the absence or presence in the Treasury of $70,000,000. Why, sir, if the Treasury should be burglarized and the entire surplus be stolen, without hope of recovery, the Government credit at home and abroad would be then, as it is now, high and without limit. The payment of $70,000,000 of our interest-bearing debt will strengthen instead of weaken public confidence.

The opposition discuss this measure as if the Government had no resources except those now in the Treasury, and no ability to get more should more be required. I would remind the other side that there is $50,000,000,000 of value pledged for the payment of all that the Government owes. It is these values, and not the gold and silver in the Treasury, that keeps high the public credit.

Nine years and more ago we resumed specie payment. We then owed nearly $1,000,000,000 more than we do now, and the Treasury had no more coin than it has now. Still we resumed, and ever since have met our obligations when presented. Fortunately, perhaps, that all demands were not presented the same day, or, possibly, the same week or month, and equally fortunate that the notes of the Government were more desired than gold or silver.

I repeat, sir, it is credit more than it is cash that gives to the Government its stability and strength. Why, sir, unless we use this surplus there is nothing in the Treasury to pay our 3 per cent. bonds, amounting to $194,190,500. These bonds are payable at the pleasure of the Government, and ought to be paid from time to time from what the Treasury accumulates over and above current wants. Undesirable as these securities are in moneyed circles they are worth a premium, although there is no fund in the Treasury for their redemption and the interest upon them may cease at any moment. These 3 per cent. bonds are held largely by the national banks. They own $138,920,650. This amount they have on deposit in the Treasury to secure their circulation.

It is said if we appropriate this surplus as contemplated by this resolution these bonds, or $70,000,000 of them, will be paid and to this extent we contract the circulation of these institutions. This we are admonished would be a public calamity and would greatly disturb the business interests of the country.

National bank-note circulation was contracted $8,284,047 in 1883; in 1884, $24,170,476; and in 1885, $15,545,461. This contraction has not affected perceptibly the business of the country; and it will go on without disturbing values or interests whether the surplus remains in or is legislated out of the Treasury.

It is, sir, but a question of time when national banks will cease to issue circulating notes. This measure if it becomes a law will, I believe, hasten the day, and for this reason among others I favor it.

We can give the people better paper money than national-bank notes—paper money with legal-tender value, which for all ordinary uses our people prefer to silver or gold.

The passage of this resolution will not disturb in the least the monetary interests of the country. They who say otherwise are false prophets. The same gentlemen who prophesy that trouble will come if the surplus is taken from the Treasury and put where it will get back into the hands of the people told us eighteen months ago that the further coinage of silver would precipitate a financial crisis upon the country. Since then $39,474,258 have been coined, and the crisis has not yet appeared.

This crisis they predicted again in February last unless this coinage was immediately stopped. Still, silver dollars are being coined at the rate of $2,600,000 a month, and no crisis has come.

The resolution, it will be noticed, proposes to apply the surplus in sums of not less than $10,000,000 per month. Under the most favorable circumstances seven months must elapse before all of the surplus is paid out. Within these seven months, if the receipts of the Government for the current year be as large as estimated, there will be a surplus therefrom of $17,500,000. So that at the end of the seven months the Treasury will be weakened but $52,500,000. Surely the absence of this sum can work no embarassment to the financial operations of the Government.

Then, again, but $40,000,000 of this surplus can be used before Congress will meet. Then, if thought best, the payment of the remaining $30,000,000 may be stopped.

The opponents of this measure fear, so they say, that if the surplus be reduced $70,000,000, even at the rate of $10,000,000 per month, there may be times when the Treasury may be unable to meet current demands. Its receipts are over $1,000,000 a day. If these receipts, with other resources not set apart for a specific purpose, will not make a sufficient working balance, there can be no tenable objection to using temporarily, and until this balance is obtained, what the Government may hold for a different purpose, if it be necessary for the proper administration of public affairs.

We have in the Treasury $100,000,000 set apart for the redemption of the legal-tenders issued by the Government. This fund has been in the Treasury for this purpose since 1879. The amount of legal-tenders redeemed from this fund in seven years is very small. There is reason to believe that this money will be idle in the Treasury for many years. Although in one sense it is held in trust, and therefore, in strict law, can not be used except as specified in the trust, yet its use by the Government in whole or in part, temporarily only, to meet an unexpected or unusual demand upon its Treasury would not be regarded as dishonest or dishonorable by the considerate judgment of the country.

Plainly, no one, except he be the holder of greenbacks, could of right complain. The question is wholly outside of the law governing individual or corporate trusts, and outside, too, of what may be rightfully esteemed a breach of the public faith.

The chairman of the Ways and Means Committee [Mr. MORRISON] told us on yesterday that the $59,000,000 to the credit of the Post-Office Department, and in the hands of disbursing officers, might be used if needed in the current transactions of the Treasury. Relying upon this unquestioned statement, why should we hesitate to do what the pending resolution proposes?

Is it not evident, Mr. Chairman, that any fears that may be entertained that the passage of this resolution may leave the Treasury without a sufficient working balance are groundless? The situation of the Treasury in the absence of this surplus need give no one alarm. The mistake, if this measure should so prove, may be readily corrected. Under the act to provide for the resumption of specie payment, approved January 14, 1875, still in force, the Secretary of the Treasury is authorized to issue and sell the bonds of the Government, if necessary, to meet any demands made upon the Treasury. Therefore, I repeat, that in taking this surplus out of the Treasury we run no risk of embarrassing it, or putting it to serious inconvenience or disadvantage.

Apparently, sir, all of the objections made to taking this surplus from the Treasury come from the same quarter and in the same interest. The public good demands that it be put to some use; but private gain seems intent upon keeping it inactive and unemployed.

Capitalists say it is best to keep this money in the Treasury. All who hate silver and despise greenbacks say the same thing. The Government bondholder and the national banker press this view upon the country. Those who speak for these interests tell us that if we take up the 3 per cent. bonds with the silver surplus we repudiate the contract between the Government and the holders of these securities. These bonds are payable in coin. In other words they are payable in silver or gold. This is the law.

We violate no contract, nor do we break faith in using silver instead of gold in paying these bonds. All of these 3 per cent. securities, except $17,150, are held in this country. The silver surplus is a full legal tender. Why, then, should our bondholding people have gold and our non-bondholding people be compelled to take silver?

This feature of this controversy was well stated by my honorable friend from Iowa [Mr. HENDERSON], when he said:

> It has been said that this resolution countenances repudiation—that it means paying off these bonds in silver. Upon this point, if the bondholder is not content to take the coin I have to take and which my people have to take for what the Government may owe them or me, I will shed no tears over his distress.

We are told that if the silver surplus is used in the payment of these 3 per cent. bonds the holders of our securities abroad will consider the act as a breach of faith, and home will come all the bonds which they hold. This, it is said, will shake public confidence and impair public credit.

It will do nothing of the kind. He who thinks otherwise underestimates the wealth and financial strength of our country. Of the outstanding bonds of the Government, amounting to $1,260,778,612, only $76,755,000 are held abroad. The balance are in the hands of our own people, and they have the ability to hold twice as many more. Whenever our friends on the other side of the waters feel that their securities are weak, a word from them to this side will enable them at once to get rid of what they hold, and at a large advance upon their cost.

My honorable friend from New York [Mr. HEWITT] tells the committee that in his city alone there is more than $75,000,000 of unemployed money wanting profitable investment. If the passage of this resolution will start homeward the Government bonds now held abroad it seems to me that if advocated by that gentleman with the zeal and ability for which he is so eminently distinguished, his constituency would shower upon him their thanks and remember with gratitude his services. This prediction, sir, will create no alarm, nor will it be verified.

One word more, Mr. Chairman, and I have done. Gentlemen on the other side of the House who oppose this measure remind us that the Democratic party is divided upon this question. So, too, is the Republican party. They forgot to state what they surely know to be true—that the division is less in our party than it is in theirs. This division in opinion, to my mind, is strong proof that the question is one of business and not of politics.

Opinions once fixed and long entertained are not easily changed. Honest convictions after all are the only safe guide. Long before I had the honor to occupy a seat in this body I thought that the Treasury surplus would be best used if applied in the reduction of our interest-bearing debt. Since, nothing has occurred to change but much to confirm the opinion then formed.

The resolution shall have my vote because I believe it to be right, and because it expresses the views entertained by the people I represent.

Fitz-John Porter.

SPEECH

OF

HON. PRESTON B. PLUMB,

OF KANSAS,

IN THE SENATE OF THE UNITED STATES,

Friday, June 25, 1886,

On the bill (H. R. 67) for the relief of Fitz-John Porter.

Mr. PLUMB said:

Mr. PRESIDENT: The events which have been the subject of discussion to-day occurred nearly twenty-four years ago. They occurred under circumstances which, while we may feebly recall, we can never wholly appreciate. I do not believe it is possible that any one, however intimately he may have been connected with those great events, can ever as fully appreciate them as they were appreciated at the time when they occurred.

I do not believe that it is possible to retry at this late date with fairness any question which was tried during the war either by the Commander-in-Chief of the Army under the authority which he had under the statute to dismiss officers or by the properly appointed tribunal known under military law as courts-martial. There are circumstances and belongings and surroundings peculiar to a time of war which can never be fully appreciated in a time of peace. The question as to whether a given movement was fast enough, prompt enough, thorough enough, and in perfect accord with what was intended by it, is one of those things which can not be properly settled in a time of profound quiet.

A few years ago I dropped into the room in which was being held the Warren inquiry in New York city. It will be remembered that at the battle of Five Forks (I believe that is the name of it, one of the last battles of the war) General Sheridan relieved General Warren from the command of his corps while under fire. General Warren appealed a number of years later from that judgment. He asked for the institution of a court of inquiry to pass upon his conduct at that time and to say whether or not General Sheridan was warranted in thus having arbitrarily relieved him from his command in the presence of the enemy. He asked that the stigma upon his character involved in his removal by General Sheridan might be removed. I happened to drop in, as I said, to the room where the inquiry was being held, and I think I never had anything come as vividly to my mind then as the fact that the question presented by General Wright could never be retried.

An intimate friend of mine was a soldier under General Warren, and was present when the general was relieved, and he had stated to me his belief that it was a great act of injustice, and I was prepared to believe this statement; yet sitting in that room, with the buzzing flies and with the drowsy atmosphere, and with everything as far as possible removed from the circumstances which existed at the time and the place when General Warren was relieved, I realized how utterly impossible it was that any one should ever put himself sufficiently into connection and in harmony with the situation as it was on the field to determine whether General Sheridan was right or whether he was wrong. Some question was involved as to whether General Warren was bringing up his forces fast enough. Four miles an hour is a pretty good gait, and yet at that time 10 miles an hour might have been a snail's pace in view of the emergency of the situation.

Can we ever in cold blood, after the lapse of twenty-four years, and when, except for the maimed men whom we see around us, the armless sleeves, the wasted frames—there is practically nothing to remind us that there was a war, and we are busily concerned with the events of peace, all our thoughts and all our conduct being gauged by the requirements of a time of peace—can we ever go back into that time of war and fairly disturb the judgments then rendered?

Under the statutes of the United States in a time of war the commander-in-chief may remove without court-martial any officer under his command. It is a great power, one that was exercised in hundreds of cases in the Union Army, exercised many times in a manner I have no doubt we would say, looking at it through the spectacles of peace, wrongfully, unjustly, simply because we can not adequately realize the tremendous stake which was then being played for, and the great and overwhelming demand that it made upon the men who were assisting in playing for it.

If I had a suspicion even, if I had that which amounted to a belief, that Fitz-John Porter was wronged, I never would put myself in the attitude of attempting to reverse the decision then rendered, because if we can not lift the entire cover from that period, if we are not prepared to do justice to private and officer alike, we ought never to touch it. Let all the events of the war be buried in one great trench with the dead.

Fitz-John Porter was a professional soldier. He knew better than any man who served under him the consequences of the disobedience of orders. He knew the summary nature of trials by courts-martial, and the power of the President to remove him for even the slightest dereliction of duty. Being a professional soldier, he took all these things into account intelligently when he undertook military service in the Union Army. He is not the man who should complain.

Rather let there be brought up here the spectre of some man enlisted from the cross-roads or the farms of the country, who, lying in camp, with no batttle at issue, getting a letter from his wife that all of the supplies had failed, that the inexorable creditor was about to turn her out of doors, or some other misfortune was about to overwhelm her, not cowardly but simply mistakenly threw down his musket and went home—rather take up that class of men, to whom was applied the inexorable rule of the military law, which said that death should follow desertion of that kind, than to take the professional soldier, educated at the expense of the Government, who knew to the smallest parting of a hair exactly what that military law was under which he was serving and against which he offended.

It is admitted here by the advocates of the bill for the purpose of the decision we are to render that Fitz-John Porter did not obey orders; but it is claimed that he had a right to disobey them; and it is claimed that now by reason of newly-discovered evidence he did wisely in disobeying. I venture to say that there is not a man on the Democratic side of the Chamber who served the confederacy under arms that will not say that such a soldier in the confederate army would have been dismissed in disgrace, if not shot, for failing to perform the obvious duty which Fitz-John Porter failed to perform on the 29th and 30th days of August, 1862.

Suppose he had no orders—upon that point there is no question now—but suppose he had no orders, he lay within the sound of a battle which he knew was going against the cause of the Union and in which he must have known the service of his corps was needed. He was as cool and collected and free from anxiety as ever he was on parade; he did not concern himself about what was going on at the front; he did not even ride forward or send forward to inquire. Leaving out the question of orders, suppose General Pope did not know he was there. He knew he was there and he knew what his duty was, being there with the best corps of the Army, the largest in the number of men, the best equipped, and the freest from fatigue. When General Sherman cut himself from his base of supplies at Chattanooga for the purposes of his Atlanta campaign, he congratulated himself that he had an army that could not be stampeded and that wherever and under whatever circumstances it might be found, a regiment, a brigade, a division, or a corps in a place separated from him, he knew they were going on fighting the fight they were appointed to do as well as though they were in communication with him, receiving his commands; and that is just exactly what they did over and over again, because in the long line which he commanded, spread out for miles and miles some days, it inevitably happened that if a fight was to be fought at all it was to be fought without specific orders. That army of men that conquered Atlanta and afterward marched to the sea never failed, as Fitz-John Porter failed, to find the fighting by the fire and to do their full duty in order that there might be victory.

Some years ago I introduced a bill for the relief of Richard H. White, late lieutenant-colonel of the Third Regiment Wisconsin Cavalry Volunteers, who had been dismissed from the service because he did not obey an order, not an order to fight a battle, but an order to report himself at a certain place, he being ill. There was no fighting going on in that part of the horizon; he was not needed anywhere for duty of that kind; but he disobeyed an order, was court-martialed and dismissed. Upon a statement made by a friend of his in regard to the circumstances of the case, I deemed it worthy of investigation and introduced a bill granting an honorable discharge to Colonel White, which caused an investigation by the Military Committee of the Senate. It came out of that committee accompanied by a report dated on the 15th day of February, 1884, a report made by the Senator from Missouri [Mr. COCKRELL], in which occur these two paragraphs:

It thus clearly appears that Colonel White was absent without leave, and was reported and summoned to appear before a military commission to answer the charge, and made his defense by letter to the commission, and upon such defense rested the decision of his case; and that there was no undue haste in the proceedings, no refusal of time to make defense, and there is now no allegation of prejudice or improper conduct on the part of the commission. The commission rendered their decision; the Secretary of War, in pursuance thereof, dismissed Colonel White, and now, after the lapse of twenty years, Congress is called upon to enact a law removing the charge of absence without proper authority, which the records show to be true, and to revoke the order of dismissal and grant an honorable discharge.

It was in time of war; a terrible struggle, when punctual obedience to all orders and regulations and requirements of the service and strictest discipline were essential. Proceedings in such times are often a matter of necessity which in times of peace would be considered harsh, extreme, and unjust.

And so the committee concluded that Richard White having disobeyed an order to report himself somewhere could not claim leniency at this late date and must remain forever under every dishonor which the sentence of the court-martial imposed. That report was made by a man who served the confederacy as a brigadier-general. He makes no parade of that service; but I have heard him tell about the closing fight at Franklin, how being ordered to make a charge which he and every man under him knew was absolutely futile, which he knew could only bring death to his men and disaster to the army, he yet threw himself against General Schofield's line, fighting as he said by the light of the flashes that came from the guns of the Union Army, only to go down, himself wounded, his division decimated, and that disaster which every man in the line foresaw and knew was inevitable overwhelming them. If you ask him to-day what the consequences would have been if he had refused to obey that order thus attended with inevitable disaster or if he had failed to obey, he would tell you that the confederate army was not big enough to have held him for a moment of time thereafter.

And so when the Senator from Missouri [Mr. COCKRELL] put in his report that brief but comprehensive statement of the requirements of a time of war upon those who had enlisted in an army, he simply stated that which he had verified by his own experience and emphasized by his own blood.

The court-martial which tried General Porter was composed of Major-General Hunter, Major-General Hitchcock, Brigadier-General King, Brigadier-General Prentiss, Brigadier-General Ricketts, Brigadier-General Casey, Brigadier-General Garfield, Brigadier-General Buford, Brigadier-General Slough, every member of which, with two exceptions, has since died. We are sitting in judgment to-day upon the dead. That court-martial was composed of men any one of whom was the peer of Fitz-John Porter even as described here by his best friend; and is there any impeachment of the soldierly character of a single one of them? Has it been left to any one in behalf of Fitz-John Porter to say that that was a prejudiced court?

I will state a little circumstance related to me about General Hunter and his connection with the court, a few days ago by a prominent Army officer. General Hunter's family lived in Washington at the time this court was convened. He came here under orders for some military purpose, and noticed in a morning paper that he had been made a member of this court. He left his house immediately to go to see the Secretary of War to ask to be relieved. He had not been fairly out of his house until General Porter came there in hot haste to ask him as his friend to remain on the court. Learning where Hunter had gone, Porter pursued him quickly, overtook him before he reached Mr. Stanton, and persuaded him to remain a member of the court as his personal and Army friend.

It is understood and it has become part of the common knowledge of all who had to do with the investigation of this matter that the court rendered a unanimous judgment, and it is also understood that it came within one vote of decreeing death to General Porter for the offense of which he was found guilty. Well, Mr. President, the Senator from New Jersey [Mr. SEWELL] asks me who says it. Does he deny it? He has as much opportunity as I have for affirming it. Neither of us can in the nature of things have testimony on that point because the members of the court were of course sworn to secrecy; but, as I have said, it has gone into the common knowledge of men; it is part of that which gets into the atmosphere concerning such a case. Naturally of course the members of the court more or less talked about it among themselves. I have no doubt of the essential correctness of what I have stated.

We are asked after twenty-four years have chased each other into the abyss of time to reverse the action of this court-martial thus composed, upon what ground? Upon the ground of newly discovered testimony, and not only that but testimony which Mr. Porter knew nothing at all about or supposed at the time was in existence; in other words, upon the testimony of General Longstreet, and other confederate officers, something that is new and which General Porter could not have known unless he had been on the other side.

It is a new thing, if I may say so in the presence of those who are better qualified to speak about military matters than I am, that an officer is not to attack in obedience to orders for any reason whatever. Does any person who has given the most cursory examination to military matters, and especially to the position of troops, not know that General Porter could have attacked even if his force were less than one-half the force opposing him, to some effect at least; and that if he had attacked the enemy, as far as we can apply human judgment to a state of facts so far removed, he would have prevented that reinforcement by General

Longstreet of another portion of the confederate line which took place and which resulted in a great disaster to the Union cause.

Mr. President, after all these men have gone into their graves, after Abraham Lincoln and Edwin M. Stanton, who knew more about this case than anybody else, who knew more showing that the conduct of Fitz-John Porter was disloyal and unsoldierly than others—after all these men have disappeared and nearly a generation of time has passed—we propose to do that which would never be done in any private cause, and we propose to do that which is a direct reflection upon the great and the honored dead. The vindication of Fitz-John Porter, so called, is a stab at the memory of Abraham Lincoln, who summoned the court and who approved its findings and sentence. There was no ill-feeling or malice in his action. No kinder or more just man ever lived than Abraham Lincoln.

Mr. VOORHEES. Will the Senator from Kansas allow me to ask him whether then General Grant stabbed Abraham Lincoln? No man has said so much as General Grant has said in vindication of Fitz-John Porter; and if we are to be arraigned for stabbing Abraham Lincoln, what are you to do with Grant?

Mr. PLUMB. This new-found love for General Grant is as marvelous as the conversion of Paul.

Mr. VOORHEES. I am professing no new-found love for Grant; but has the Senator lost his, if he ever had any?

Mr. PLUMB. I will get to that in a moment. It will not do for the Senator and men like him, who are going to vindicate Fitz-John Porter, to set up General Grant as their leader.

Mr. VOORHEES. I do not know why.

Mr. PLUMB. They abused him; they hounded him; they held him up as the pattern of everything base; and it will not do for them now to shake his honored name at us.

Mr. VOORHEES. The question is not what we do, but what you do with Grant and his testimony.

Mr. PLUMB. We will take care of that when the time comes. We have nothing to reproach ourselves with in regard to Grant. Yes, Mr. President, General Grant took the side of Fitz-John Porter at the last, and a gentleman here on my right [Senator SEWELL], whom I respect so far as manly qualities are concerned as much as I respected General Grant, takes the side of General Porter in debate and vote in this Chamber. I heard read here in the presence of the Senate the other day the request of some posts of the Grand Army of the Republic that Fitz-John Porter might be vindicated by the passage of this bill. Yes, Mr. President, there is a slight division among Northern soldiers and Northern people on this question. It is the division which occurs in the Mississippi River, the eddy going one way and the great full-handed stream going the other.

Does any man doubt that the great body of the men who fought at the second Bull Run believe that Fitz-John Porter's failure on that day to perform his duty was the cause of the disaster which came to our arms? No man doubts that. Does any man doubt that the great majority of the men who followed the flag of the Union with their prayers and their tears and their hopes, as well as those who followed it with their bodies, believe the same way?

It is not a new thing for the North to divide. The Senator compels me to anticipate what I was going to say later. Will the South divide upon this question? Is there nothing significant in the fact that in the other House as in this every single man who served the confederacy in war and peace, with determined zeal and without exception, votes to put Fitz-John Porter among the roll of heroes of the Union Army, and along with it and as a supplement and not in a minor strain either is an apotheosis to Jefferson Davis and a denunciation of Edwin M. Stanton. Is all this to vindicate Fritz-John Porter as a loyal, effective Union soldier? Or is there behind it all somewhere, unconscious to the minds of these honorable men, no doubt, a fellow-feeling for the man who helped them in the hour of battle? Is it necessary for this purpose that the martyred President should be brought into contempt and that the great war secretary should be defamed? This is what is being done. As Fitz-John Porter is praised they are blamed. The two processes go together and are inevitably joined.

Mr. President, this bill may pass. It may receive a constitutional majority in both Houses of Congress and may be signed by the President, but the spectacle of the vote that will be given will not be lost to the country, and the country will not believe either now or hereafter that the motive for the votes that give this majority was simply the vindication of a wronged man.

I beg to say to Senators on that side we have not attempted to put up or to put down the men who fought the battles of the confederacy. You rate your heroes as you please; you put up Lee and Jackson and Hill and Longstreet and Hood, and we do not interfere with you in that. You write the history from your standpoint so far as it relates to individuals and the merits of different movements of armies and of the actions of legislative bodies and so on as you please. Let us do the same. We know where these men belong who fought on our side. We ask no help to fix their status or their merits.

And yet, Mr. President, in a manner which I will not further characterize, the men who won the fight that Pope lost because Fitz-John Porter dallied and was insubordinate and unfaithful are now seeking to put Porter among the Union heroes and cast reflections upon Pope and men like him upon whose military escutcheon there is no blot. The Senator from Missouri [Mr. VEST] some years ago in a debate in this body said, with that eloquence for which he is noted, that it was for the victors to write the history of the struggle in which the victory was won, and therefore the North had a right to write the history of the war of the rebellion. One of the offices of history is to give proper place and character to the actors in it, and it is for the North and not for the South to fix Fitz-John Porter's place in the history of the war of the rebellion. If I mistake not, whatever the motive may be, the reinstatement into the Union Army of Fitz-John Porter is the beginning of an attempt to rewrite the history of that great drama from the Southern standpoint, to put that which was practically disloyal and which at all events was unfaithful above that which was loyal and above that which was faithful. The indication can not be mistaken. One confederate soldier who sits on this side of the Chamber, detained from here now by illness, when this bill was before the Senate on another occasion said in a speech which became him and his manhood that in view of the fact that he had served on the confederate side he felt restrained from casting his vote on the passage of the bill, feeling that he had no right to sit in judgment in a case involving the relative merit of Union soldiers.

This is a question which concerns the Union Army, the doings of that Army, the consequences of that which grew out of their doings. It is our quarrel; it is something which I think the other side ought to refrain from entering upon or expressing an opinion about. But, after all, neither here nor elsewhere where the subject has been under consideration has there been cast anything but an affirmative ex-confederate vote.

Mr. BUTLER rose.

The PRESIDENT *pro tempore*. Does the Senator from Kansas yield to the Senator from South Carolina?

Mr. PLUMB. Yes, sir.

Mr. BUTLER. I have sat here during the whole discussion of the Fitz-John Porter case, and I have not opened my mouth for or against it. I do not know of any man from the South who has opened his mouth; but I do submit that there is a point beyond which forbearance ceases to be a virtue, and that point has about arrived as far as I am concerned.

It has been intimated by innuendo, almost by direction, that we are casting our votes to restore Fitz-John Porter to the Army because he was disloyal to the Union. I not only protest against that, Mr. President, but, for one, I denounce it as absolutely and entirely and unqualifiedly untrue; and if we were in another forum I would denounce it as cowardice. Because we are here in the exercise of our constitutional rights as Senators upon this floor casting our votes as our consciences dictate, to be aspersed in this way is something beyond my comprehension among men and gentlemen.

I have not opened my mouth for Fitz-John Porter. I know of no man from the South or in the confederate army who has. We have taken the ground that it is not our fight or our quarrel. But are we supposed to sit here like dumb brutes when called on to exercise a constitutional duty to vote? And because we vote as our conscience dictates, without regard to his loyalty or his disloyalty, following in the track of Republicans who brought this question here, we are to be aspersed and our integrity impugned? I repeat, sir, that if that aspersion were put upon me in another forum I would denounce it as false and cowardly.

I care nothing about Fitz-John Porter; I know him very slightly; you may restore him or you may continue him in disgrace as you please; but I have heard for the last time, without protest at least, these constant aspersions upon the men from the South, who are here simply doing their duty as they understand that duty to be.

I am the last man in the world, I can inform the Senator from Kansas, who would sustain a traitor to the Union cause. I am the last man upon this floor who would have respect for a man who I thought deserted his colors. But from the evidence which I have had, and which I have looked at I think judicially, I do not believe that Fitz-John Porter was a traitor, I do not believe he did desert his colors. Believing in that way, I shall vote for this bill.

Mr. PLUMB. Mr. President, I knew all that before the Senator got up.

Mr. BUTLER. Then I hope the Senator will stop throwing out insinuations.

Mr. PLUMB. I knew there was a forerordained vote, and as the Senator has not restrained himself from some lively declarations of speech on this subject, I hope he will not restrain himself elsewhere.

Mr. BUTLER. I can say this to the Senator, that if he were to indulge in just such expressions as he has elsewhere he would be very likely to hear from me.

Mr. PLUMB. Ah, Mr. President, we hear a great many things in these days; there are signs, and portents, and wonders, and all that sort of thing. It is just what the Senator has said that I was commenting upon, that while the men who served in the Union Army and the

Northern people divide to some extent upon this question affecting the honor, the good name, the faithfulness, the loyalty of one of their own soldiers, no confederate soldier has any doubt upon the subject whatever, but all of them votes *nem. con.* that Porter was not guilty.

I do not know that I could make the statement stronger. The Senator from South Carolina has done so, however. He has made it stronger than I could make it. It was the fact, as I said, that without speech, with a resolution that betokened a fixed, irrevocable conviction he and those who like him served in the confederate army march in solid phalanx to vote for Fitz-John Porter.

I leave the question as to what is the motive so far as I am to characterize it with them, but I had a right to say what I did say, and I will repeat it. While neither a prophet nor the son of a prophet, I will still venture to say what will be evidenced from day to day from now henceforth, that the Northern people will not believe that the men on that side of the Chamber vote to restore Fitz-John Porter to the Army solely for the purpose of vindicating him. That public opinion which rules the country, putting up and putting down, will not fail to penetrate all disguises and to place proper construction upon the action of those who exhibit this extraordinary zeal to vindicate an unworthy Union soldier.

A Senator sends me a memorandum to say, what illustrates to some extent the setting of the tide, that the President of the United States has just vetoed a bill giving Mrs. General David Hunter a pension of $50 a month. I will not make any connection between that fact and the fact that General Hunter presided over the court-martial that tried Fitz-John Porter, and that he too is dead and in his grave. If Abraham Lincoln can be stabbed, if Edwin M. Stanton can be defamed by those whom he condemned because they were disloyal, and if we can live to see that in this year of grace I do not wonder that along with it comes the veto of a bill giving a pension of $50 a month to the widow of the major-general who was the chairman, the presiding officer of the court-martial which convicted Fitz-John Porter, and upon whose soldierly record there is no stain.

Mr. HAWLEY. Not because the pension was made $50 a month.

Mr. PLUMB. Not because it was $50 a month, for the same President signed a score or more of bills giving $50 a month to the widows of naval and army officers at this session of Congress. A gentleman who sat in the seat in front of me for many years famed for his ability and eloquence would speak of this veto as a "decoration" of Mrs. Hunter. Mrs. Hunter has indeed been "decorated" by the veto of this bill giving her $50 a month. The loyal people of this country will see to it abundantly that Mrs. Hunter does not come to want for the lack of a pittance of $50 a month if the Congress of the United States should fail to do its duty and pass that bill over the President's veto.

I believe that Fitz-John Porter was unfaithful to the Union cause. I believe that he practically conspired that the Union cause should lose that battle. I believe the letters he wrote to General Burnside and to General McClellan would have furnished ample warrant for the President to have exercised the great power and prerogative conferred upon him by the statutes of dismissing officers whose services he believed were no longer useful to the cause of the Union, and whose example was pernicious. Among persons who speak about each other with that general glibness and freedom of comment which characterize the newspapers and men in private speech, there might be said in a time of peace what General Porter said about General Pope, and generally what he said of a discouraging character in regard to the fight of which he was not but ought to have been a part; but there are times when a nation being in peril, disrespect for a superior officer, the expression of it, however slight, is treason in point of fact. Every man, every gun, every agency of the Union Army was in demand. The Union, republican government, human liberty, hung suspended in the balance. In a tremendous time like that, with these great issues at stake, with every loyal man with his blood on fire and his nerves at the highest tension, here was a soldier educated by the Republic, in command of the best corps in the Army, for whom the best that can be said is that he did not march to the sound of the fighting; that he lay idly by while disaster overtook the Union Army. But he received the order to march and in contempt of his superior officer requested that some wagons which he had control of should be taken out of the way, and with this sneering request on his lips remained in camp and failed to move. That was either a record of unfaithfulness or of criminal inefficiency.

For the restoration of such a man I can not vote, and I believe the restoration of Fitz-John Porter to the Army will prove to be one of the most significant things that have occurred since the war and one which will come to divide the sentiment of this country in regard to the causes, the consequences, the rightfulness of that great struggle. If Fitz-John Porter is to be vindicated at the hands of the men whom he refused to fight, if he is to have the judgment of the confederacy in his behalf, let him take it. Is there any other Union soldier who desires such a vindication? He has not been heard from to date.

Mr. President, this is the aspect this case presents to me. It is fairly and squarely presented here between faithfulness and unfaithfulness, and, as I said before, it is an issue that side of the Chamber have no right to force. It is our fight, in our charge, in regard to a great and momentous part of the struggle for the Union

The Surplus in the Treasury.

SPEECH
OF
HON. ARCHIBALD J. WEAVER,
OF NEBRASKA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886,

On the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt, as follows:

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That whenever the surplus or balance in the Treasury, including amount held for redemption of United States notes, shall exceed the sum of $100,000,000, it shall be, and is hereby made, the duty of the Secretary of the Treasury to apply such excess, in sums not less than ten millions per month, during the existence of any such surplus or excess, to the payment of the interest-bearing indebtedness of the United States payable at the option of the Government."

Mr. WEAVER, of Nebraska, said:

Mr. CHAIRMAN: I offer the following amendment:

Provided, That the first payment under this resolution shall be for an amount that will reduce the surplus to $100,000,000.

If the penalty for making false statements on political subjects of great importance wherein nothing but the truth should be stated, were banishment to that location which is spelled by affixing two ll's to the pronoun "he," the orators of both wings of the Democratic party would, in Democratic executive language, be in a condition of innocuous desuetude in the temperate zone of North America, and the first-named locality would have the benefit not only of a Democratic Executive, but would have a large majority in each branch of the legislative department of the Government; and while there would be a few members from the anthracite and iron districts clamoring for protection yet in that country, under Democratic rule, you would always find a clear working quorum for free trade, free rum, and State sovereignty.

The Democratic party is just now in power by a systematic continuation of hypocrisy, duplicity, and falsifying that, for a moment, seized upon the credulity of the masses, who, as might have been expected, find that their votes were obtained under false pretenses. What did the Democratic orators say to the voters of this country as an inducement to get their support and suffrages? You said there was from three to five hundred millions of dollars in the Treasury that should be applied on the interest-bearing debt of the United States. That is what you all said from one end of the country to the other—you men who have been in public life for a long time and knew all about public affairs said that. The second man on the Democratic Presidential ticket proclaimed it most loudly of all, and you can not now deny it, because there are too many to bear witness to your statement; and now, having come into possession of the Treasury with all of this alleged amount of available surplus—because there is no complaint that you did not get the last cent that was shown to be in the Treasury by the statement from the Treasury Department on which you made the campaign—I say what is your record since you came into possession of that money?

On the 4th of March, 1885, you came into possession of this overloaded Treasury, and one would have supposed from your professions and your talk of what would be done that the month of March would not have passed before all the $194,000,000 (option bonds) would have been called and paid; but not so, nor was one cent paid on the interest-bearing obligation of the Government. April passed, and May passed, and June passed, and July passed, and August passed, and September passed, and October passed, and November passed, and December passed, and January passed, and at this time there has accumulated $75,000,000 more of money in the Treasury and yet not one dollar of the interest-bearing obligation of the Government had been paid, and to prove this allegation I here call attention to that part of the monthly statements from the Treasury Department which show that for all this time the interest-bearing debt of the Government was always the same, namely, $1,260,778,162.

Neither was a dollar ever paid on the interest-bearing debt of the Government under Democratic rule until a resolution was introduced in Congress to require such payment.

This is a true record of the Democratic party since it came into power on the payment of the debt or rather failing to pay the debt; but that is not the only thing this great party has failed to do. The Executive made a great effort to paralyze the industries of the country by an attempt to retire the $346,000,000 of greenback currency and failed in all save the effort.

The head of the same great party conceived the brilliant thought of discontinuing the coinage of the silver dollar, but as a veto has no force on a law passed under Republican administration he could not make it work and the coinage goes on.

Another brilliant scheme of the Democratic party is to cut down the revenues of the Government while we have an interest-bearing debt of more than $1,200,000,000 and while the estimated revenue of the Gov-

ernment—estimated by Democratic officials—is less than the estimated expenses.

Now, sir, when we consider that under the rule of the Republican party the interest-bearing debt of the nation was being paid at the rate of $150,000,000 a year, what shall be said of a party that got the control of the Government under the pretension that this debt was not being paid fast enough and then failed month after month to pay a single cent?

I favor the resolution under consideration requiring the application of the available money in the Treasury in excess of $100,000,000 on the interest-bearing debt of the United States.

While there is power under the law as it now stands for the Secretary of the Treasury to do this without being directed so to do, yet from the record made by this Democratic administration we are fully advised there is no disposition to do this, but rather to continue to allow the money of the country to accumulate in the Treasury when it should be in circulation to revive the drooping industries of the country.

It is stated by the leading Democrats on this floor, and especially by the chairman of the Committee on Ways and Means [Mr. MORRISON], that not more than $70,000,000 will be paid out under this resolution, and computing the interest at 3 per cent.—because this is the rate drawn by option bonds, which are the only ones subject to call—it will readily be seen that to pay out $70,000,000 at $10,000,000 per month would require seven months, and computing the interest on the $70,000,000 for one-half of the seven months, the average time for which the $70,000,000 would continue to draw interest under the resolution, $612,500 is the amount that would be paid out as interest, which amount would be saved if my amendment be concurred in to pay out the surplus at once.

Judging from the financial ability thus far displayed by the Democratic party it is quite certain that this amendment will be rejected.

The amendment was disagreed to.

"Where there is no Mail there is no Trade."

SPEECH

OF

HON. WILLIAM D. OWEN,

OF INDIANA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, May 19, 1886,

On the amendments of the Senate to the bill (H. R. 5887) making appropriations for the service of the Post-Office Department.

Mr. OWEN said:

Mr. CHAIRMAN: This Congress is able to enact legislation that will help the country. No Congress for twenty years has had such an opportunity. There is want in many homes where want was never known before, and we have been promised that relief shall be had, so far as it can be brought by the action of this House. The panic of 1873 threw business out of gear, and since that date the products of the field and mill have not had a profitable sale nor wage-workers profitable wages.

If a man has anything to sell from a day's work to a farm he finds buyers scarce. There is money in the land but it is hard to get. Money is the most sensitive thing on earth. On the slightest alarm it hides. The man that has money will not let you have it unless he absolutely needs what you have, because what you have is sinking in value, but his money does not shrink, and next year he can buy your article cheaper than now. When things get to going this way hard times get harder and the poor get poorer, and as the purchasing power of money increases the rich get richer. These are our times and they are evil days. The discontent in our country has been growing for years. Its voice has grown so loud it has even been heard in these Halls. There is trouble in the country when the laborers' cry gets so loud it can be heard in Congress.

More men are idle to-day than ever before in this land, and the idle have no hope for an early relief. We have been told that prices of things we buy are low, lower it is claimed than the average of 1860, but what is the benefit of low prices to the man who has no money to buy with? The laborer must be employed before he becomes a purchaser; to talk to him about the low prices of goods is to apply a salve that becomes an irritation. The continued unsatisfactory condition of his employment has caused the laborer to enter into a confederation to protect his own interests. He has endured all sorts of changes in the past, but never before has he organized for protection. This uprising against the present condition of things is one of the greatest revolutionary movements in history. It is twenty millions of people driven into an organized body by want, and requesting that the wheels of business start again, and giving notice that when the start is made they are to be partners in the business.

It was Wendell Phillips who said:

Toil has a brawny hand but a warm heart. It bears all things, believes all things, and hopes all things. If the time ever comes when this great force shall refuse to be led any longer, and shall organize, it will likely lose sight of its own interests in hatred of its ancient enemy, and this country will find that the "blind giant" has seized the pillars of the temple, and capital and labor, and great and small, will be ruined together.

This undisciplined force has achieved an organization that astounds the country.

Mute sentinels of the divine mandate that "man shall eat his bread in the sweat of his face," they gaze upon a vast scene of enforced idleness; upon mills shut down; factories stopped; spindles that are silent; wheels that hum no more; upon furnaces closed; mines without miners; molds without castings; blasts without flames; chimneys without belching smoke; upon women and children shamed by their need; upon men whose earnings are a pittance, and ask from whence can relief come? This is the great question before this House. Relief can only be found on this floor. Various wise and prudent measures have been introduced here which if enacted into laws would lift this blockade and open our doors to public confidence and a return of prosperity. What do you propose to do about it? Timidity and indecision have no rights you are bound to respect at this time. Do not in your doubts lay this matter over until after the election this fall. It will be a dangerous undertaking. This is a case where the man who doubts will be damned.

With the factories running on half time the tariff question should have been decided during the first sixty days of this session instead of holding it until the close, and then doubtless bring in a bill no true tariff reformer can support. The factories are not making goods except on order. They no longer manufacture and store for future sales, because the tariff may be reduced and bring them to bankruptcy. The great industrial interests are paralyzed into inactivity through fear of injurious legislation; and capital, menaced by the uncertainty of what you will do, will not venture into new fields. Whatever is going to be done in the matter should be done promptly. If the tariff is to be reduced under a free-trade tendency, it had better be done now. Let the factories then close out, and business, knowing what it can depend on, will adjust itself to new surroundings; but you stand here week after week threatening what will be done, yet doing nothing. Some action ought to be taken to relieve this unfriendly attitude to labor and capital, or it should cease.

ORGANIZED LABOR NOT A MENACE.

Wendell Phillips could to-day see an organized force which, contrary to his prophecy, refuses to go blind and bring ruin to the country. With Powderly at the head this Samson is not blind.

With my belief in the destiny of this country and my trust in divinity I think that whenever a national crisis presents itself there will arise a man equal to the hour. Never has a man been better fitted for a struggle than this man for this great labor struggle. For eight months he has held back a storm which had it started would probably have thrown us into the terrors of the French commune. But he had the courage to withstand rash men, the generalship to organize a million men, the prudence to overlook many mistakes, controlling a revolution against the existing order of things, and supposed to be contrary to the interests of invested capital, he has guided its vast and involved movements with a wisdom so astute and a judgment so well balanced that he has won the confidence of the public and has been received with esteem into the councils of that element against whom he had organized for redress of grievances.

Mr. Speaker, the problem for us in this House is to do our duty as circumspectly and successfully. It is our duty to inaugurate a system of legislation that will result in making farming again profitable; that will again permit the workingman to receive wages that are living wages; that will move the now silent mill; that will call idle men to work; that will make every mechanic feel that he is pushed again; that will cover the ocean with our ships and with our flag as in the days gone by; that will give plenty to the people and prosperity to the country.

Ours is a government of the people and for the people. This Congress, the first after a new administration, has an auspicious opportunity to relieve this great depression and bring blessings to the people.

EXTRAVAGANCE.

We have been in session six months, and what have we done? We must adjourn now within a few days. We will go into history as having done less than any Congress before us. With the exception of the widow's pension bill no measure has passed entitled to the dignity of national importance. But idleness is not the greatest crime here. This Congress is extravagant. My distinguished colleague [Mr. HOLMAN], the great Democratic economist, in a recent interview said:

We promised to decrease expenses and we have increased them; we promised to practice retrenchment and we have not done so; we promised to economize and we have not done so; we promised to introduce reforms, but where have we done so? We have not kept our pledges, and unless we change speedily our party will be defeated at the polls this fall. We have increased the amount of the appropriations $23,000,000, and this does not include the extra appropriation for pensions nor the $6,000,000 deficiency bill voted last week.

This is what the best authority in this House says regarding our legislation. I think it is admitted the increase this year over the expenses of last year will be $40,000,000. Forty million dollars is a large amount of money. The time was when the entire expense of the Government was less than $40,000,000.

It might be supposed as a member of another party I would rejoice

at the record made by this Congress. It is a political victory that they have not kept faith with the public, but the condition of our country is too grave at this time for any man who has to deal with these problems to be a politician. When the interests of our common Government are at stake, then on this floor, under his oath, every member should forget his party and be a patriot.

There are interests here legitimate and beneficial of various matters aggregating the expenditure of millions of dollars which need not be passed this session. On these matters many members have set their hearts strongly. I am greatly interested in the erection of a public building at my city, but let this and all of these expenditures which are not absolutely essential go over until next session.

Let us address ourselves to legislation that is productive. All methods of bringing money into the Treasury require some outlay at first. The farmer has this experience; so has the mechanic and the manufacturer. They plant, they water, they till, and then comes the harvest. I believe we can practice this same reproductive policy. Other nations have done it and made themselves great and rich. We can do it, and stir the stagnant blood of our depressed trades with a new life. It will bring the idle into employment and money into circulation. The country will not look upon appropriations thus made as pledges broken, but will receive it as the earnest of promises kept.

OUR FINANCES UNSATISFACTORY.

The bill before us has in it more ways of helping the country than anything that has been here for many a day. In seeking a relief from this industrial depression it is but fair for me to say the demonetization of silver in 1873 has been one of the great procuring causes of these times. While it was not strictly a party measure, it was a mistaken policy on the part of those engaged in it. Although the harm was intended to be atoned for by remonetization in 1878, it was but lamely done, for it decreed that no more than $4,000,000 could be coined per month. To make the coining of gold free and limit that of silver was to disparage silver.

In addition to this the administration violated the law of remonetization by refusing to pay the nation's obligations in anything but gold coin. The result was that gold was hoarded by the few who had it, and under the nation's ban silver depreciated in value. Grenfell, the distinguished ex-president of the Bank of England, lays all our troubles to this disparagement of silver. Arendt, the great economist, says it "is the crime against silver, the people's money, which has brought this unspeakable commercial misery, which has now lasted ten years, and is becoming yearly more and more acute."

With the election of Mr. Cleveland it was thought we had come to the dawn of better times, and we all remember how the telegraph wires prophesied a speedy resumption of business.

Every paper in the land spoke confidently of the revival of business, and thousands of depressed lines of trade looked forward to the day of his inauguration as the beginning of a revival of industry.

If the advent of Mr. Cleveland to the Presidency was to reclaim business prosperity, restore our shattered finances, make the ships hives of busy workmen, bring good prices for labor and products, give plenty to homes and smiles to children, he was entitled to be received with open arms.

In February before the inauguration it was surmised that Daniel Manning was to be made Secretary of the Treasury, and as he was known to be an ally of Wall street a letter was addressed to Mr. Cleveland asking him not to express any financial views in his inaugural address, but to first acquaint himself with the wants of the people. No answer was requested. None was expected. But Mr. Cleveland at once made a public reply asserting his position in advance. This was a remarkable thing to do. He announced himself against the further coinage of silver, and revealed a strong sympathy with the gold interest. That Manning and Wall street were to have a champion in the new President was a surprise, and created the profoundest regret. Republican presidents had been regarded as allies of the money monarchs, but that a Democratic President should be one also created comment and grave apprehension lest the policy of his administration would be in harmony with this element, who however estimable as citizens do not in these problems of government have interests in common with the producing classes.

Within two weeks after the publication of that letter the papers ceased their prophecy of better times. The trusting confidence of business had received a wound from an unexpected source; the fires that were preparing in the mills were not lighted; trade suddenly retreated to its old paths, and all things continued as they had for years.

I venture the assertion that if Thomas A. Hendricks had been the Chief Executive he would not have carried out the policy of Wall street.

All financiers agree that under a contracting currency prices fall. Goschen says that the amount of gold produced yearly in the world at this time is only $90,000,000. He says the arts have $60,000,000 of this, the East takes $20,000,000, that the wear and tear is $5,000,000, and there remains just $5,000,000 for the monetary requirements of the world. Suppose we got every dollar of this. As our population is increasing at the rate of 1,000,000 per year, that would give $5 to each person when they need $35, but we receive only the merest fraction of this $5,000,000. Now, to this shrinkage in consequence of increasing population add the fact that our national bank circulation is being reduced at the rate of $15,000,000 per year, and we have an enormous contraction of currency—a sufficient contraction to choke the life out of business in a very few years.

Only through the continued issuance of money can we hope for a monetary relief, and yet the President, unmindful of these facts, and of the fate of England in 1832, demands that we shall stop the further coinage of silver. To follow the administration here is to be led into panic and disaster.

Money never invests in industrial enterprises except for the hope of gain. The peculiar effect of a contraction in the volume of circulation is to give profit to the holders of uninvested money. In a year or two's time its purchasing power has increased so much by reason of the fall in prices that hoarding pays better than investing. Money is simply worth its purchasing power. With a shrinking volume of currency the capitalist whose millions lie idle in his vaults is growing in wealth more rapidly than if he was running mills or building railroads or steamboats. Thus do falling prices rob labor of employment, and precipitate an unequal conflict between capital and labor, for all the time capital is increasing in value, while labor each day gets less and less for its toil.

For example, a farmer who owes $300 pays it with 300 bushels of wheat at a dollar a bushel. If, however, he has a running mortgage, and when it falls due wheat is 75 cents per bushel, it takes 400 bushels of wheat to pay his debt. It is this that is bankrupting our farmers. A laborer who contracted a debt in 1880 of $100, and has not been able to pay it, and undertakes to do so this summer, finds that instead of eighty days' work paying the bill it will take one hundred.

Thus we have idle money, idle capital, idle labor, idle machinery, standing and facing each other.

Mr. Manning was Secretary of the Treasury twelve months before he made a payment on the public debt, and then not until two resolutions demanding that he should do so had been introduced into Congress. We lost six months of interest in consequence. In the last fifteen months $21,000,000 of national-bank notes have been retired from circulation, and millions of one and two dollar bills have been called into the Treasury. There was $8,000,000 surplus when Secretary Manning came into the Treasury; now he admits he has locked up $65,000,000 in addition. The average of prices has fallen 9 per cent. within these fifteen months.

It is in the shadow of a shrinking volume of money that disorders, social and political, gender and fester, that communism organizes; that capitalists conspire; that workingmen combine, and that stagnation spreads wider and wider. As long as the present storm continues to gather in the financial sky there is but little hope for the real prosperity of labor.

I appreciate the pain felt by earnest workers on the other side of this floor when they see the Executive refuse to recognize the coined silver dollar. His action would be a strange spectacle if it were not a serious grievance. It is a nullification of the Constitution. The Constitution says "Congress shall coin money and regulate the value thereof." Congress has coined silver money and established its value. Every citizen takes it without question. A piece of silver is worth 79 cents; the mint places the Government stamp on it, and it becomes a dollar. It passes for a dollar everywhere. It is a dollar. It is the coined money of the realm. If you had a million dollars in gold you could not buy a million dollars in silver at 99½ cents on the dollar. You could not buy them for less than they are worth—100 cents on the dollar. The law means something, and before its sovereign majesty we all bow down. No man in the country ever refused one of these dollars.

With the price of wheat, cotton, and other products so low as to discourage the producer, with labor in a turmoil and Congress embarrassed it is within the power of the Executive alone to grant a financial relief. One stroke of his pen can better the condition of the whole country by ordering the mints to coin $4,000,000 of silver per month as the law permits. As the people desire it for their convenience in using this silver, Congress can quickly furnish them one, two, and five dollar silver certificates, and this vast volume of money would then start into circulation. If the President would do this he would perform an act that would receive the applause of all parties.

Mr. Henry Watterson, who, as I take it, is the most brilliant of all editors, recently in his paper, The Louisville Courier-Journal, speaks upon the present condition of affairs in the following way:

To-day, putting aside all consideration of the Republican party, the danger is that the popular verdict concerning the Democratic party, and it is the Democratic party that is on trial, will be, "Weighed in the balance and found wanting." Ordinarily the party might hope to escape popular censure by forbearance, but the people are in no mood now for the exercise of forbearance. The Democratic leaders two years ago were rich in promises. They attributed all popular distress to the misgovernment of the Republican party; but two years have passed and the distress is as widespread as then. Every plan of relief has perished in the committee-rooms of Congress or fallen still-born in the House. The political situation is serious. The party must do something to regain public confidence.

If the President in the exercise of his discretion fails to give us the needed relief, Mr. Watterson says the country will look to Congress for help. With 41 majority you can pass any measure you desire to pass, but the House has refused to take any forward step to relieve the great

financial trouble; the interstate-commerce bill to regulate railroad traffic slumbers on the Calendar; the agricultural bill to make agriculture a Cabinet office is bitterly fought; the great labor complication has been set aside by a measure that is only a pretense and is already a dead letter; the promised rehabilitation of the Navy has got no further than the report; the much-criticised surplus in the Treasury has had millions added to it; the justly-condemned practice of hiring convict labor on Government works has greatly increased. If any plan for relief has been proposed I am not able now to recall it.

The restoring of our merchant vessels so that we can carry our mails to foreign ports and open up the trade of the world is now before us in the shape of a measure to pay $800,000 for ocean mail transportation. The question is whether it will not also be carried over until next winter, or indeed killed outright. Not one great measure of relief has passed the House. Mr. Watterson said "every plan of relief has perished in the committee-rooms or fallen stillborn in the House." The campaign of this fall will not be a repetition of 1884. Then it was all politics; but this fall there will be less politics and more business. There is less politics to-day in this country than there has been for forty years.

ONE OPPORTUNITY REMAINING.

If this ocean-mail bill passes it can not then be said that every measure of relief has failed. Your majority of 41 can pass it. These ocean ships will be the opening gates to a trade with the South American states, that will take millions of our surplus productions and thus start a revival of trade. It is claimed that $200,000,000 of our goods could be sold there the first year. The very thought of it would make the plow scour better and the mill-wheel run swifter. If you start this trade it will be an achievement so vital to the business interests of the country that this Congress will be made illustrious.

THE OCEAN MAIL.

I now turn to the ocean-mail bill, which is the only measure left by which we can bring help to the people in the present crisis. Our mails to foreign countries are carried almost entirely by foreign vessels. This bill proposes the establishment of a line of vessels between our country and Mexico, Central and South America, West Indies, Australia, China, and Japan. Its purpose is to restore, as far as may be possible, our old time supremacy of the seas, and to furnish to these countries our products. They are now chiefly supplied by England, Germany, and France. It is wise and prudent to restore our flag to the seas. On account of our overproduction it is business sagacity to take possession of the trade of these States.

The countries lying south of us, Mexico, Central and South America, are our neighbors, and by the laws of relation their trade belongs to us. If our commercial vessels are restored and the empire of the South added to our trade, we have conquered a new world. We will be as England, who looked upon India and saw an opportunity. She took her surplus products there, and while saving herself from overproduction was a blessing to India. So we may relieve the surplus of the farm and factory by developing a trade with these States, and while helping ourselves to prosperity elevate that people by furnishing them the best products of civilization.

THE EFFECT ON THE FARMER.

We will first consider the bill's effect on the farmer, as he is the basis of all industries. We have about the number of farmers that the experience of the world says is required by such a nation, but hard times causing people to buy less has given us an overproduction from the farmer. The farmer is one of the manufacturers in this country that is overproducing. Our agriculturists are raising a surplus. Millions of dollars' worth of their products can not be used by our people, and this overproduction, as a dead weight, has to be shipped to some foreign market for sale with the unavoidable result of lowering the price. If our home markets consumed all of these products their price would be better.

Whenever the demand for an article is fully equal to the supply prices are good. There is a tonic about an equal supply that helps prices. An oversupply is the reverse of a tonic on prices. After the discovery of gold in Australia and California its price rapidly declined. It was thought there was an oversupply. No matter how highly prized, how necessary to comfort or health, when there is more of an article than can be used its price declines. Political economists say the period when the supply is just equal to the demand is the time of best profits and healthiest prosperity.

To pass from the philosophy of prices to their practical operation we find that when the farmer ships his products to a distant market he has to pay the freight, and coming into competition with others from other countries who ship to that point he has to stand the difference in freight charges; no matter if their distance is 500 miles and his 5,000 he must put his article in the market at the price of his competitor. If a farmer in Indiana has wheat to sell the shipper who buys it for Chicago pays him Chicago prices less the cost of carrying it to Chicago. The farmer in fact hauls his wheat to Chicago, and if the shipper means to sell the wheat at Liverpool he pays what the article is worth in Liverpool less the cost of carrying it there. The farmer thus conducts a free delivery. He could afford this if he could control the prices he receives, but this he does not do. No farmer ever controlled the prices he received for his crops.

The less shipping he does the better, especially if that shipping is to a foreign market where he comes in competition with people who can produce the article cheaper than he can. For illustration, in India they produce wheat for 9 cents a bushel. Their land is not worth half so much per acre as ours, and the ryot, the farm-hand, who raises it, works for 8 cents a day. The distance from these wheat-fields to Liverpool is very great, but England is equalizing that distance by covering India with railroads and hauling the wheat on the water in bounty-paid ships.

Twenty-eight million of our sixty million people are on the farm.

There are five million farmers in America; one-half our population is engaged in agricultural pursuits. In view of the fact that they never dictate the prices they receive, and must pay the freight, however distant the market their products are sold in, they have the right to ask the shortest possible haul, and that in no event shall they cross the ocean and then be placed in competition with the ryot of India. There is no avenue open to us to shut off these long hauls except through a return of prosperity. In such event the increased consumption by the people would relieve our surplus.

When our incomes decrease we all reduce living expenses, and when the income increases we grow liberal and our consumption increases. A family that uses 4 barrels of flour in one year in hard times will use 5 barrels in good times. Four barrels of flour in hard times is more extravagant than 5 barrels in good times. With the wonderful growth of our population in the last six years I think if we had prosperous times we would consume every bushel of wheat grown on our shores. The same logic will apply to all our farm products.

The price of an article is determined in the market where its surplus is sold. Our surplus is sold in Liverpool, and thus it comes about that Liverpool controls the prices of the labor of one-half the people of America. Liverpool is the master of the American farmer. Every bushel of your wheat, corn, oats, rye, or barley, is worth at your railroad elevator what it is worth at Liverpool, less the freight. Just as long as our farmer is an overproducer just that long will he be the hired man of Liverpool. I would like to see him set free. I am willing to vote to have this Government pay something for his ransom. It is not fair to him to compete with the serf of Russia, who has a short haul, and more unfair yet to make him compete with the ryot of India, who has subsidized a hundred million of England's money to put his long hauls at a low rate.

There are two methods of getting rid of the farmer's overproduction. One is to do as the factories, when business is not at a profit, stop the manufacture; but the farmer can not stop his factory; he can not leave his fields idle. Like the wageworker, who must earn his wages, even if they are inadequate, in order that he may live, so the farmer must raise his crops. He lives by them. Plainly, the farm production can not be diminished.

The other method is to increase home consumption. This can be done by inaugurating a policy that will give idle men work. Our Commissioner of Labor reports one million idle men in our country, and each man represents a family of five persons. That means five million people out of employment. This population swarms in the cities, overflows in the towns; it is an enormous army, a frightful legion of idleness and want. If promoted to their various trades, such an increase of consumption will come that surplus will bother us no more. At work each of these men will buy one dollar's worth of this surplus a day; that is $1,000,000 a day, and that will consume all the surplus.

Every member on this floor knows, every economist in the United States understands, that if we can give remunerative employment to this million men, we will consume every bushel of wheat we raise, and that we will not have a dollar's worth of farm products for foreign shipment. The solution of this problem is to give the idle men work, and within twelve months consumption will be equal to production.

THE PROBLEM STATED.

We can consume the farmers' surplus by calling the idle men to work; but suppose there is no work to call them to? What use to put them in the factories? These are already crowded with unsold goods. Grant, for the argument's sake, that the surplus has been consumed in these years of closed shops. With these men at work there would be a show of revival of business; but in six months we would again have a surplus. The fact is, we have reached the condition of the old nations. Our producing capacity is greater than our consuming capacity. When a country's capacity to produce is greater than its capacity to consume, the overproduction must be carried off to other countries, or its production ceases, and the land is filled with idle men. Our provision for disposing of surplus is so inadequate that America is filled with idle men. Is it better to continue this enforced idleness, or to construct a channel to convey our goods to a people who want them?

THE SOLUTION IN SHIPS.

There ought to be no divided opinion as to the line of policy to be pursued. With our exports fallen a hundred million dollars in the last two years, with a thousand factories closed and business stagnated, there is but one action to be taken. Senator MAXEY, of Texas, speaking on this subject, said:

The importance of securing the trade of Mexico and Central and South America can not be overestimated. We must have an outlet for our surplus manufact-

ures, or the shutting down of mills, the placing of workmen on half-time, the reduction of labor, and strikes will unavoidably follow. We can not hope for an extensive market for our manufactured goods in Europe, and the most inviting field is the country south of us.

Following the speech of that distinguished gentleman, the American Shipping League was organized at New Orleans; this league is composed of the representative men of all parties in the Gulf States, their purpose being to secure a commercial outlet for our surplus to this south country. They have grown tired of cotton and cane; with factories springing up all over the South, their cotton mills are rivaling Manchester, and Birmingham, Ala., is becoming a rival of Birmingham, England Under the influence of diversified industry that land is growing a new South. They ask for ships to carry their products. They, like we of the North, are now fighting the battles of industry and peace, and the market for our wares is all that is needed to bring a victory far greater than war.

It is to the wisdom of British statesmen in providing ships to carry their manufactured goods to foreign countries, and bringing back and expending in Great Britain the moneys received from this trade, and in manufacturing raw material, thereby increasing its value threefold, that the English people are indebted for their prosperity, their low rate of interest, and the employment of their people.

A great nation with her surplus products must take to the seas. Our people are slow to realize that the greatest of all industries is shipping.

OUR SHIP INTERESTS.

For years prior to 1850 we had the supremacy of the seas; our wooden ships were the best and fleetest on the ocean; they far surpassed England. That year the English builders decided to stop a hopeless competition with wooden ships and try another kind of vessel; they decided to make ships of iron and steel, and the experiment proved that iron and steel vessels could be made larger than wooden, stronger and fleeter, and more serviceable in every particular. Lindsay, a British member of Parliament, speaking at the launch of a vessel named after himself, in 1852, uttered these words:

I believe that in five or six years there will be very few ships built of wood, and what a start iron will give us over a nation which has most interfered with us as competitors. America has labored hard to maintain the supremacy of the seas, but we now have a material for building ships which America does not possess and for which she will have to come to us.

These words were prophetic; within six years we had lost our supremacy with wooden vessels, and England's iron ships were masters of the sea. England had been developing her iron industries for centuries. Within ten years we had been ushered into a new era; we had moved from wooden wagons, stages, and ships into the iron age; commerce had become so great that the old appliances were not large enough nor rapid enough to transact the world's business. The iron horse now became the carrier for each continent, and we latticed the land with railroads more rapidly than any state ever built her dirt highways. But the nation with the best practical use of iron could take the ocean as its heritage; England took the ocean. The war turned our statesmen's attention to the value of our resources. We have a hundred times larger iron and coal deposits than England, and it was decided that these industries should be developed. The nation placed her strong arm around the coal banks and iron fields, and mills sprang into being and flames burst from the tops of furnaces.

In 1852 we could not build an iron ship because its most important parts had to be imported from abroad. In 1863 it cost twice as much to build a vessel here as in England; now, after twenty-three years, it only costs 10 per cent. more to build here than there. Lilley, the English ship-master, says we can never cover that 10 per cent., because our wage-worker on ships is paid 30 per cent. more here than in his country. But having developed this interest from 200 per cent. to within 10 per cent. of the English cost in twenty-three years, I think if Congress will leave the laws as they now are we can cover that fraction by 1890. In that year we will turn out iron and steel ships equal to any England launches on the Clyde or Tyne, at the same cost, and our wage-workers not be reduced in their pay.

REVIVING THE INDUSTRY.

When France sought to restore her shattered commercial marine, she honestly admitted her decadence on the seas, and asked her capitalists to build vessels to be used for the purpose of her commerce. She entered into a contract with every ship company, granting 8 per cent. interest per year on the cost of the ship for ten years, and when the profits above the expenses for running the vessel and its insurance did not amount to 8 per cent. the Government supplied the deficiency.

I would not recommend such a measure. We do not need such an extreme action. I am opposed to guaranteeing profits. But I am in favor of this Government, when it has any ocean carrying trade, giving it to American vessels and not giving it to foreign vessels as we are now doing; and I am in favor of saying to our vessels, "We want Government freight carried to foreign ports, and whenever you will build a vessel we will pay you what other governments pay their vessels for like service." If we will give to our vessels one-half for carrying Government freight to foreign ports what other governments pay their vessels, fifty thousand men would be working on fresh keels along our coast within one year.

RESTORE COMMERCE.

This proposed act revives ship-building, restores our ships to the ocean, and establishes regular trips between our own and foreign ports, contracting that they shall be maintained for a given term of years. This opens up a channel through which commerce can flow back and forth with confidence, and it will increase every year. We will ship to them what they want, and they will ship to us what we want. Thus trade will become established. We would dispose of our surplus and restore our commerce.

THE OCEAN-MAIL BILL.

I will now read the proposed ocean-mail bill. It is as follows:

For the transportation of foreign mails by American built and registered steamships, to secure the greater frequency and regularity in dispatch and a greater speed in the carriage of such mails to Brazil, the Republics of Mexico, Central and South America, the Sandwich, West India, and Windward Islands, New Caledonia, New Zealand, and the Australian colonies, China, and Japan, $800,000; and the Postmaster-General is authorized to make, after due advertisement for proposals, such contract or contracts with such American steamships, for a term of not less than five years, and at a rate of compensation not exceeding for each outward trip $1 per nautical mile distance.

That is to say, 50 cents per mile for each mile actually traveled on the round trip—

In the most direct and feasible sailing course between the terminal points as shall be found expedient and desirable to secure the ends above set forth.

It will be observed this bill proposes to pay for ocean-mail service not exceeding $1 per nautical mile traveled for each outward trip. That is, 50 cents per mile for each round trip.

The gentleman from Michigan [Mr. BURROWS] has offered the following amendment:

Provided, That not exceeding $400,000 of this amount herein appropriated shall be expended in payment of existing American steamship lines for the transportation of foreign mails according to the schedules heretofore enforced, and that so much of the balance as may be required shall be expended in increasing the frequency of the postal service of such steamship lines and in the establishment of postal service by American built and registered steamships between the United States and such ports of the foreign countries herein named not now connected with the United States by American steamship lines, as the Postmaster-General may select, including Buenos Ayres and Montevideo.

This amendment provides that $400,000 shall be paid to vessels we now have for carrying the mail to ports we now visit, but requiring that the service be increased in frequency, and that the remaining $400,000 shall be paid to the vessels we now have and to new vessels for extending trips to ports we do not now visit. The countries with which this communication is to be made are named in the bill. Its purpose is to have vessels make systematic and regular and frequent trips to these ports, and that it shall be done on a time card, just as our railway trains are run.

The carrying of mails is a governmental duty, and in obedience thereto the Government last year paid twenty-three and one-half million dollars for carrying our inland mail. Sixteen and a half million of this was paid to the railroads; five and one-half millions to the star-route service; for steamboats and the service along the coast, or, as it is termed, the coastwise service, one half a million; and for carrying the mails from the depots to the post-offices $879,000.

We do not advertise and let the contract for carrying our mail by railroad to the lowest bidder; but the Postmaster-General is authorized by law to arrange for this service, and the expenditure of this enormous sum of $16,500,000 is left entirely to his discretion.

The mail that is carried by stage or horseback, called the star-route mail, is usually let to the lowest bidder. The steamboat and coastwise mails are never put to bidders, the Postmaster-General contracting for the service on his own judgment.

The law controlling our mail to foreign ports is unlike that which provides for inland mails. No more than the amount of postage that is placed upon the letters that are in a mail sack can be paid for carrying that mail to a foreign port. In other words, the law says that "the pay to vessels for carrying our foreign mails shall be limited to the postage."

Neither on the coastwise, the steamboat, or the star-route, or the railroad service is the compensation limited to the postage. There has never been a time in the history of the Government when the star-route, steamboat, or coastwise mail could be carried for the postage. The carrying of the mails is a duty enjoined by our highest law, and is provided for as one of the necessities of civilization. No man has ever dared to ask the question if it paid for itself. Now, sir, this measure proposes to put our foreign mail service on the same basis; it seeks to pay for carrying mails to foreign countries, whatever that service may be worth. This bill authorizes the Postmaster-General to contract with the lowest responsible bidder, and puts but one restriction on the contract, and that is that the vessel shall be an American vessel.

I am for this restriction. I am for American interests. I am for every man in America as against every man in foreign lands. I am for the American farmer, the American laborer, the American trader, as against those of like occupations in any other country; and now, as the question of vessels has come into national importance, since the civil-

ized governments have entered into competition for the commerce of the inferior nations, I am for every letter we send to foreign lands or receive from foreign lands, every bushel of wheat or manufactured article we send or goods we receive in return, being carried on a vessel built by Americans, owned by Americans, manned by Americans, and whose keel plows the ocean under the folds of the American flag.

On the coast of Florida are two cities, Tampa and Key West. They are 249 miles apart. Last year we paid for the coastwise service between them $23,600. This same mail is taken from Key West across to Cuba, a distance of 100 miles. But Cuba is a foreign country, and this is foreign mail service, and for it we pay $237. We pay $237 from Key West to Cuba, and $23,600 from Tampa to Key West. This is the work of a bad law, which only allows postage to be given as pay for carrying mail to foreign countries. While $23,600 may be generous pay to one, I think it will not be claimed that $237 is just compensation to the other.

OCEAN MAIL.

Last year we paid $326,000 for carrying our foreign mails. How much of it do you think we paid to foreign vessels? Two hundred and eighty thousand dollars. And how much of it to American vessels? Forty-six thousand dollars.

Gentlemen on this floor talk themselves hoarse lamenting our decayed shipping; how can it but decay when its chief impetus to regular and quick trips, Government mail, has a pay grossly inadequate to the work done; for the service is exacting, and no wonder it is wrecked and ruined when that pittance is divided with foreign competitors at the rate of $280,000 to the foreigner to $46,000 to our home vessels. But, some one urges, the foreign vessels carry the mail much cheaper than our native vessels. Yes; and the foreign vessels, which are receiving millions of dollars bounty from their governments, can afford to carry our mails cheaply; they would gladly carry them for nothing if thereby they could drive us from the commerce of the seas.

NOT A NEW QUESTION.

This question has been discussed in our country before; it has engaged the ablest men at the other end of the Capitol; but there have always been obstructionists who, like the distinguished gentleman from Missouri, say there is "no patriotism in a ship," and have refused to give just pay to our vessels because the work could be done cheaper by some one else. We now see its results. We are without ships, without foreign trade except to Europe, and we are groaning under an overproduction, while England owns vast shipping facilities, has established a trade at every port in the world, and under our very eyes has grasped the trade of our next-door neighbors, the South American states. She sells them $200,000,000 worth of goods annually—a trade so large it would bring relief to our distress. Yet we see men here shut their eyes to our prostrate commerce, stop their ears to the cries of an oppressed country, and object to opening commerce by way of our vessels because they can get mails carried cheaper by British ships.

Let me quote the words of some of the fathers on this subject. Mr. Bayard, father of the present Secretary of State, then in the United States Senate, said:

The mail service in this and all countries on land is a governmental duty, and with all great maritime nations which have the power to control that service on the ocean, it is as much a governmental duty where their extensive commerce is concerned as is on land the proper transportation of correspondence. The mail service with foreign countries, on any principle that I can appreciate, is as much a governmental duty, and demands as much expenditure, as transportation of correspondence in the interior of the country. Will you adopt a policy which will place the entire transportation of our mails under British control; which will put into British hands the transportation of passengers; which will lay a tax on American citizens for the advancement of British commerce? Such may be the judgment of the honorable Senator, but it is not mine, and I trust will not be that of the American Senate.

The first Bayard is in the grave, but his son now sees American citizens taxed for the advancement of British commerce; he sees America without a single American ship crossing the Atlantic carrying the American mail; he sees us paying $326,000 a year for ocean mail, and $280,000 of that paid to British ships. These are the things which make a thoroughbred American's blood boil.

James K. Polk, the President of the United States, once said:

It is strange, sir, that men who are presumed to embody the wisdom of the land should have to be reminded that they are pandering to British power, forgetting American interests, and losing sight of that greatness and grandeur which attaches to this American Government.

I stand upon the floor of the American Congress and I find men who are willing to measure our greatness by the circumference of a dollar—a dollar, sir!—measure American prosperity and American greatness by a round dollar, and thus pander to British interests, bow the pliant knee, and say to the power that assailed us at Lexington, that flashed the first guns from Bunker Hill, that fought us upon the sea and land in 1812, and that has been jealous of our prosperity and our greatness ever since—say to her, "Good mother, won't you please carry our mails?" Why, sir, I scorn, I despise that anti-American feeling and sentiment. The men who stand battling upon these principles are behind the age. They are behind the progress of their country; they know nothing of its power or its influence, and are contributing to a combination of foreign policy designed to overslaugh us.

THE REVIVAL OF TRADE.

Ocean mail service is the basis of foreign trade, because it is only as you have frequent and regular communication that trade can be built up. We all agree that frequent and regular ship connection between the South American states and the United States will build up a trade with those countries. The people of this great country lying at our very doors are not manufacturing people; they have neither the genius nor the invention nor the industry that creates manufacturing interests. We want their raw products, nearly all of which are admitted here free of duty. That is all they have to sell.

This bill is proposing to give our people relief through the same channel that has been sought by every people who have found themselves embarrassed by overproduction. Civilization and trade follow mails; where there are no mails there is no civilization or trade. Our great West would have remained a wilderness, for no company of men could control the capital necessary to build a railroad across the continent; but the Government, in its wisdom, provided the necessary assistance, and the nation's highway was built. Doubtless it cost more than was necessary. Within twenty years the West has become an empire of people; its riches are enormous; and the Government's revenues therefrom have paid for the expense of that road many times over. Our fathers did well when they made the mail service a governmental duty. The gentleman from New York [Mr. HEWITT] uttered a great truth in this discussion when he said the Postal Union was one of the grandest triumphs of civilization.

No great line of steamers has ever been successfully established between two or more foreign ports without government aid. The reason is that it costs several hundred thousand dollars to build an ocean steamer; the expenses of the crew and running the vessel average a hundred and fifty dollars a day. A trip of 5,000 miles to a distant port, as to Rio, in Brazil, is made at great cost, so heavy that where trade is not already established that furnishes a cargo each way the company has in every instance bankrupted.

HOW IT WORKS.

The great ship companies of Europe, as soon as they find one of our new ships looking for business in a port they have had the monopoly of, cut down the rates below what it costs to carry the goods. Backed by the bounties of their governments, they suffer no material loss, but our ship "freezes out" and drops back to the coastwise trade of Boston and New York. If we shall pay to our ships a fair compensation for the mail service upon a five-year contract to the points named in this bill, the foreign lines would see that our ships had become permanent between these ports; knowing that our companies had given immense bond for the faithful performance of their contract, and that it must be carried out, they would not enter into a five-year crusade on rates. The bids for freight would resolve themselves into the ordinary competition between common carriers, the result being we would be relieved from the extortionate rates now charged by the foreign ships, and we would open a direct avenue to these desirable ports.

When the House bill was first considered, and you refused to give more than $60,000 for the mail service described in the bill before us, the following telegram was received in New York by the agent of the English mail line within three days:

LONDON, *April* 3, 1886.

The Imperial Government of Great Britain has decided to subsidize a new line of steamers between British Columbia and Hong-Kong and Australia by paying a hundred thousand dollars annually for ten years. The steamers must be first class, capable of carrying guns and troops, and if required the Government shall have the right to use the steamers in event of war.

On our western coast, where the British possessions north of us are insignificant in a commercial sense and ours are of the first value, reaching from our northern line down to Mexico, backed by a farming area of surpassing fertility and mountains rich in oil and coal, an extent of territory larger than any nation in Europe, unless it be Russia, and to which the commerce of China, Japan, and Australia is priceless—here we find England paying a hundred thousand dollars to open up a new mail line of steamers, and little Canada has just now supplemented it by adding $60,000 to the line. The purpose is to compete with and break down our struggling line between San Francisco and these points. Yet this House refused to vote the sum named in the first bill before us to our line for this same service. And do you remember how much that sum was? I will tell you. Twenty-three thousand dollars.

Last year we paid for ocean freightage, $150,000,000. That is a stupendous amount of money for one people to pay for carrying their goods over the water. These goods went and came from almost every port in the world. We were driven out of all the most important ports by foreign competition. We paid $150,000,000 for freight. How much did we pay to American ships? Fourteen million dollars. And how much to foreign ships? One hundred and thirty-six million dollars. Not 10 per cent. to American ships. Millions for tribute, but not one dollar for home support.

Go home, gentlemen, you Republicans and Democrats who will vote against this measure, and in your campaigns this fall tell the people these facts, and tell them you voted to keep all these things as they are; tell them you voted to pay foreign vessels $280,000 for carrying our mails, and only $46,000 to our home vessels; tell them you voted for them to pay $150,000,000 for ocean freightage—$136,000,000 to go to foreign vessels and $14,000,000 to American vessels; tell them that the civilized nations pay their vessels for ocean mail $11,000,000, and that you voted for our mails $326,000; tell them foreign vessels bid to carry our mails cheaper than our vessels, and you voted they should have the

contract; tell them those vessels could afford to do this, with the vast home guarantees they receive, and that they did it in order to break down our efforts to secure foreign trade, but that you voted for these because they worked cheap, and that if there is anybody you dote on it is somebody that works cheap.

Tell them this bill seeks to inaugurate a policy that will increase the number of our merchant vessels and grow us a trade with South America, China, and Japan that will largely result in calling our idle men to work, consume our surplus, and insure our prosperity. But this was to be done by cultivating foreign trade, and you voted against it. Tell them you voted against it knowing that it gave up to foreign countries the rule of the seas and the control of commerce, while our toilers were idle and our farm and manufactured products were a drug in the market at half prices. Tell them that this is your policy, and if they want these things continued they should send you back to Congress.

This measure does not provide for sending the mails to Europe; that ought not to be undertaken at this time. It only proposes to go to the seaport cities of our south continent and to the countries lying west of us, to the nations that are not in competition with us in the great race of national development. It proposes to give $800,000 for carrying the mail to these countries. Should this be considered a large sum to carry the mails to these distant places? In view of the service to be rendered the price is remarkably low. We pay $879,000 for carrying our mails from the post-offices to the depots, but to cross the ocean we hesitate to pay $800,000.

AN EVIDENT INJUSTICE.

I will cite a few illustrations of the injustice done vessels going to foreign countries as compared with our coastwise service. The distance from San Francisco to Japan is 6,000 miles. In the round trip the vessel travels 12,000 miles. And how much do you suppose we pay for this service? Twenty-three thousand dollars. A little steamboat line runs from Norfolk to Baltimore, a distance of 200 miles, and what do you suppose is its mail pay? Even $18,000. The vessel at San Francisco plunges into the ocean and has no station for 6,000 miles, surrounded by great dangers, carrying costly insurance, and making a trip equal to half around the world. The vessel from Norfolk to Baltimore has an insignificant pouch of mail, has a station every few miles to take on and let off passengers and freight, and has a 200-mile trip.

Our New York and Cuban line travels a distance of 1,174 miles, and we paid for that service last year $2,600. At the same time a steamer running from Norforlk to Cape Charles—38 miles—received $10,970.

We paid the New Orleans and Central American line, running from New Orleans to Nicaragua—1,065 miles distance—the magnificent sum of $24.50! At the same time we paid this line $24.50 we paid another line running from New Orleans to Port Eads $22,719.

Now look on the other side of our continent. From San Francisco to Hong-Kong—6,080 miles distant—we paid $3,506 for last year's service, and at the same time another boat starts from San Francisco, and goes up the coast to Eureka—216 miles distant—and we paid that line $6,500. The vessel that crossed the ocean and traveled 12,000 miles received $195 for the trip. The coastwise vessel that traveled 432 miles received $125 for its trip. The Hong-Kong service cost the Government about 1½ cents per mile.

FAIR PAY.

No man contends that the pay of the line from Norfolk to Baltimore is too much, or from Tampa to Key West, or the line to Sitka or to Port Eads; but if they received a just compensation, what shall we call the compensation paid to the line from New York to Brazil, or to Venezuela, or Rio, or to Hong-Kong?

The Postmaster-General pays the coastwise vessels whatever he thinks is right, and no citizen has ever laid a complaint against this exercise of official discretion. I have yet to hear the first gentleman assert that the pay of the line to Rio in Brazil was fair pay. But more than the postage can not be given to ocean steamers running to foreign ports, as our law now stands. The Postmaster-General has no discretion in this case; we therefore ask to amend the law and pay a reasonable compensation. We ask to pay it to our vessels that are now struggling against odds that are crushing them.

Some one has said this is a subsidy. The man who raises the cry of subsidy here has raised the cry of a demagogue. I think that cry was first raised by an imported editor of a New York paper. I am opposed to imported and convict labor.

Senator VOORHEES, from my own State, who is one of the leaders of the Democratic party, was too ill to speak on this subject when it was in the Senate, but published an interview in the Cincinnati Enquirer, in which, speaking of this charge of subsidy, he denounced it roundly, asserting that he would not support any subsidy, but that this measure had no such element. In England the word subsidy has no such meaning as it bears in America; there it means nothing more than government pay to individuals or companies who perform the government service. With us, however, subsidy is a vicious word; it carries with it a combination to rob the Treasury and corrupt and pillage the state under the guise of a Government contract. So I was greatly pleased to see the plucky Senator rebuke the prattlers in his own State for trying to incite the people by an insincere use of this word. It is true that this measure has no element of subsidy in it.

WHAT IS A SUBSIDY?

It is a gift or pay vastly greater than is just. There is no gift in this case. We made gifts of land to the Pacific Railroad. Is this an excessive payment? Not a man opposed to the measure has so said. Admitting the present compensation to be inadequate, it is an effort to make it just. How are we to arrive at a fair compensation? Not by weighing the mail carried. The Government does not weigh the mail on star routes, steamboat, or coastwise service. If she did the mails could never be carried. A trip that costs a hundred dollars frequently does not carry a hundred letters. The Government pays on the distance traveled. It is only on a few of the great lines of railroad that we pay for mails by the amount carried.

How shall we arrive at the proper amount to be paid each line? The bill says advertise for bids. The contract is to be let to the lowest bidder, but shall in no case exceed 50 cents per mile, and the Postmaster-General has the right to reject any and all bids. How shall we decide upon a basis for these contracts? Has no one a method to propose for arriving at a just compensation?

The answer is easy: do as we do in other cases where we want work performed and do not know what it is worth—go where the labor is performed and learn what is customarily paid for it.

Usual and customary prices for labor are the law for wages the world over. Anywhere that a man labors for another and no price is agreed upon, the laborer may sue and recover the price that is usual and customary. The usual and customary price is by all people deemed to be just and fair. It is never regarded as extravagant. It is based on the understanding that experiments have been had, and results obtained, and the business can afford this price. When we go into the markets of the world to find the usual prices paid for carrying ocean mail, we find the indignant words of Senator VOORHEES are fully sustained. Every one of the great nations is this day paying much more for this service than we provide for in this bill. The difference between what these nations pay and what we propose to pay is so great, that, if we compare them, we must see theirs is extravagant and ours is fair pay.

FOREIGN PAY.

Let us examine the ocean-mail pay of a few of the foreign governments. The shipping world is familiar with the German line to Australia. This line was running an ocean tramp's life, sometimes getting a load that paid, but usually not so fortunate. The German people arose to the requirements of the Australian trade and contracted to give their line for increased and regular trips to Australia $1,000,000 per year's service. If any member should rise in his place and seriously offer to pay our mail line to Australia the half of $1,000,000, such a howl would break loose here that the visitors in the gallery would think that a section of a Chicago mob had got possession of the floor. Germany, which is financially the best managed of any of the great nations, the most prudent and conservative in investments, puts a million a year into the Australian line and finds that it pays. How much do we pay for our Australian service? Twenty thousand dollars; and we complain that it does not pay. Well, it does not. "There is a withholding that tendeth to poverty."

Suppose we wanted to establish a line to Havre, France (which we do not, as we only seek the ports that are near us), but suppose we did—the round trip is 6,000 miles, and if the limit of this bill was paid (50 cents a mile)—the line would receive $3,000 per trip. Now, sir, France wanted to increase her vessels to this country, and under contract five new steamers were built and received $14,500 per trip, nearly $3 per mile for their service. France is now giving $14,500 for a round trip, while under this bill we could give but $3,000. Because we are ashamed to confess that the pay in our bill is parsimonious and niggardly, we call it fair pay.

Pay every cent we propose, and it is the least pay of any nation for ocean mail service. We boast that we pay the best wages in the world to the toiler; this is true, but we have come to an overproduction, and unless we pay the toilers on the sea a reasonable wage the toilers on the land will soon be reduced to the European laborer's diet of black bread and potatoes for his daily table, and meat once a week.

Take the case of England's South American line. When England saw France had established a line there and was securing a trade likely to become enormous, she at once contracted with a new line for that country, and yearly pays it $495,000. We pay our line that is trying to run to South America $15,000. England pays nearly as much for one trip as we pay for a year's service. England pays half as much to her mail line to Brazil as we ask in this bill for all the ports named. England keeps up this pay year after year. If the business did not warrant the outlay her sagacious statesmen would promptly curtail it. She pays $495,000 for this service, and we pay $15,000. I believe it is $15,136.16 we pay for carrying the mails from Louisville, Ky., to Evansville, Ind. England pays $1.03 per mile to her South American line. Our bill forbids paying more than 50 cents per mile, and competition may make it less.

France pays her South American mail line, which also goes to the West Indies, $728,000. We pay for this same service $15,000, for our South American line also goes to the West Indies. The French pay on this route is $3.80 per mile.

Take Germany's North German Lloyd line, called the Australian line, going by way of China and Japan. For this $1,000,000 is paid. We are now paying $23,000 for the same service. The German pay on this route is $1.48 per mile.

Take the English Peninsula and Oriental line, to China and Japan, and England pays to it the enormous amount of $3,250,000. The English pay on this line is $3.38 per mile.

We find that the great nations, seeking to extend their commerce, have obeyed the law of civilization—where there is no mail there is no trade—and have extended mail communication to every point where trade was valuable. We find they have paid large sums of money to secure regular and speedy mail connections with these ports. We find that the usual and customary price paid for this service is from $1.03 to $3.38 per mile; this for each mile traveled by the vessel. We find that in no case does a mail vessel journeying to the points named in our bill receive less than $1.03 per mile. We find, therefore, that a bill proposing to give not to exceed 50 cents per mile for ocean mail service with the ports of South America, Central America, China, Japan, and Australia is very conservative and far below what is usual and customary in such service.

This measure will everywhere command the favor of enlightened patriotism. We are in competition with England, France, and Germany. They have an agricultural, manufacturing, and toiling class, as we have; they have a surplus production, as we have. They have established lines along which they carry their goods to non-producing countries, which we have not. It would be an act of wise statesmanship for us to establish such a line. It would be an act of legislative prudence to do this, when it can be done at one-half what it costs other governments.

I have cited these ocean mail lines because they run to the countries we propose to reach. But their lines run to other countries, and at the same rates; even colonies maintain lines at a cost going up into thousands of dollars. I print herewith a table furnished the House by the gentleman from Georgia [Mr. BLOUNT], which shows the ocean-mail pay of various countries during 1884:

[From General Statistics of the Postal Service, published by the International Bureau, Berne, 1886, page 15.]

Argentine Republic	$6,229 07
Austria	43,106 55
Belgium	134,793 32
Brazil	2,223,958 10
Denmark	32,469 54
France	5,152,388 98
Great Britain	3,006,766 67
British India	350,724 42
Japan	241,250 00
Netherlands	101,975 60
Portugal	23,964 61
Roumania	984 87
British Honduras (British colony)	23,320 67
Hong-Kong (British colony)	31,314 82
Danish Antilles (Danish colony)	2,895 00
Cochin China (French colony)	202,044 00
Guadalupe (French colony)	22,294 07
Martinique (French colony)	2,123 00
St. Pierre and Miquelon (French colony)	10,072 67
Senegal (French colony)	11,042 68
Netherlands East Indies (Netherlands colony)	29,635 15
Cape Verde Islands (Portuguese colony)	7,854 43
	11,661,118 22

United States pay is $326,000.

We stand midway between pagan India, whose pay is $350,000, and Cochin China, whose pay is $202,000; but business sagacity is with the Cochin and Indian, for they pay their own lines alone, while we pay $46,000 to our line and $280,000 to foreign lines.

DOES IT PAY?

Has the ocean-mail investments of these countries paid? Have they opened a commerce that has made a demand for their goods so great that these nations have been stirred with a new life, and at the end of each decade have found their prosperity so enhanced that all the people demanded the continuance of the system? I know their legislative bodies would not dare to continue these vast appropriations unless the results were apparent. I know if they continued to vote this money as a mere party policy, when its results were unprofitable, the people would soon vote to leave them at home; and I also know if the results were profitable the people would defend them by a majority large enough to keep them in their places.

I know party lines are strong, but you convince a man that a certain man stands for the country's best interests and he will quietly vote for that man, no matter if his party man should make large professions in the same direction. Whatever party lines may cause one to do in a general way, there is a deep sense of justice in the citizen to support the man who has proved himself by trial. It is this patriotic virtue that ultimately saves a country in its great struggles. When I see the men in England, Germany, and France who have labored and voted for this great shipping service, and have made it paramount to every other question, holding their places year after year, undisturbed through all the political changes of those countries, I know the agriculturist and manufacturer and toiler have found that service to be a blessing.

This mail service is wanted here because it is believed it will give us ships and trade. These are our greatest wants. Give us these and the commercial change will be so great it will force on this Government a proper action on financial questions. Give us these and we will obtain the like result with every nation that has tried this service. This has been the policy of all European nations, and has always had the same results. A nation wanted ships and wanted trade; they paid their money, after this fashion we are speaking of, and got ships and trade, and almost in the ratio in which they paid their money. England paid the most, so England got the largest returns.

England has pursued this policy for nearly half a century. In forty years she has paid $250,000,000 for her ocean mail service, and yet this enormous amount has proved the best investment she ever made. To-day she controls 55 per cent. of the foreign tonnage of the world. We ship across the ocean 25,000,000 tons of products annually. The average price for carrying this freight is $6 per ton. We, therefore, pay $150,000,000 a year for ocean freight tonnage. One hundred and thirty-six million dollars of that is paid to English ships; $14,000,000 only to American ships. We pay $136,000,000 a year to this masterly policy of English statesmanship. Do not consider the millions of profit she makes by selling her products in all the markets of the world (and this is what the service was established for); do not consider the maritime supremacy it gives her; do not consider the millions of tons she carries for China and other semi-civilized nations who have no ships; but only consider the $136,000,000 we pay her for freight, and the profits on that alone will pay seven times over the three millions she gives for her entire mail service this year.

AN ILLUSTRATION.

My Democratic friend from Delaware [Mr. LORE] says that two years ago he saw on the Delaware River four elegant ocean steamships, owned and run by American capital from Philadelphia to Liverpool. They were the Pennsylvania, Ohio, Indiana, and Illinois, competing as ocean carriers with European lines. He watched them with patriotic pride as they steamed out to ocean and back on the trips to England; he thought they had come to stay, and were the nucleus of our return to the foreign seas. But the United States Government turned its cold shoulder to the enterprise, and what became of those splendid vessels? They were driven from the regular ocean service. This Government renewed its mail contract with English ships, which now under the pay of two governments dropped rates below a living figure. This young line, denied a crust by its mother country, saw her feed with a free hand a foreigner, who had been already fed to fatness by its own mother. These ships are now ocean tramps, picking up work where they can find it, and are at times employed by speculators, who buy up a cargo of goods for an obscure port, and intend there to purchase a junk-load for return.

ANOTHER CASE.

We have a struggling line from our western shore to Australia, and a growing trade with that country. If we give the sea and inland postage to our Australian line it would pay them $41,000. This would be fair compensation, and about as much as I think they ought to have. The reason the mail pay to Australia amounts to this much is because that country is not a member of the Postal Union, and postage there is 12 cents a letter, which amounts on the average to $41,000 a year. But does the postal bill, as reported to this House, propose to give this line that is doing so much for our trade with that country this fair compensation? An examination of the bill does not show this line to be mentioned at all. It is left out without any provision whatever.

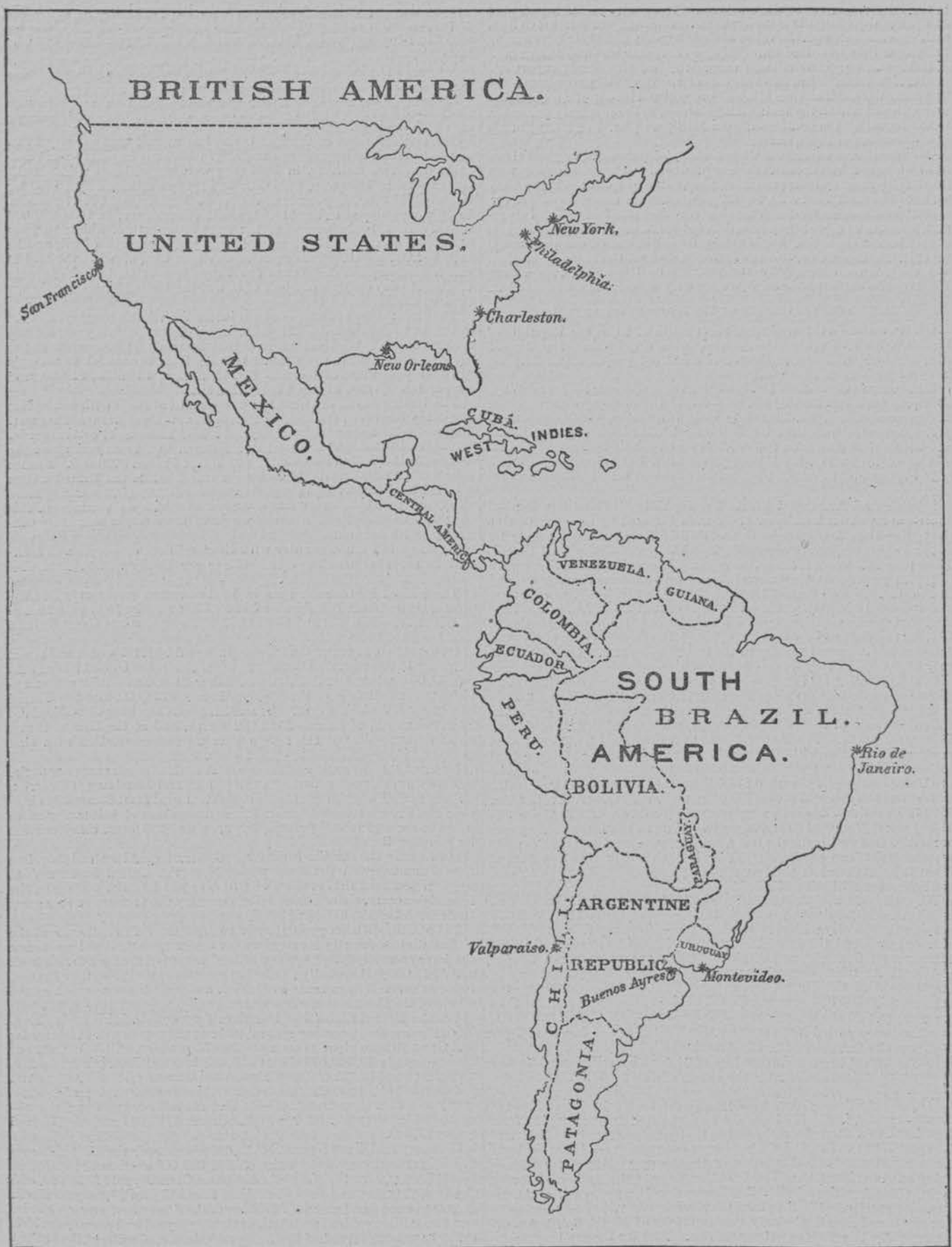
But an examination of our postal records discloses the fact that we have made a contract with the government of New Zealand to carry this mail. Now New Zealand lies southeast of Australia. I have cited the fact that New Zealand pays her Australian mail line $150,000 a year. Their vessels make the trip up by way of San Francisco, and our Government pays them for carrying our mail to Australia $20,000. The New Zealand line has to make the trip anyhow. It can carry our mails at comparatively little cost or trouble; it is supported by large home bounty; it is in competition with our American line, and, by reason of the situation of New Zealand, is an interloper. And yet we give it an additional bonus of $20,000. Is there any other government on earth that would do such a thing?

WINNING TRADE.

Forty-six years ago, in 1840, England, as an experiment, paid $450,000 to a line of vessels to carry her mails to Boston and New York, to the intent that she might have more frequent and rapid trips. Lord Palmerston said, "Where there is no mail there is no trade." The establishing of more frequent communications was so successful in creating trade that the next year the pay was increased 50 per cent. It was about this time that the crafty Disraeli said, "Trade follows the flag." Then England said, "We will put our flag into every port in the world." She has done so. To-day she has 55 per cent. of the foreign tonnage of the ocean, and 45 per cent. of the foreign trade of the world. The important question is, has it paid? It has wonderfully paid. It has been the salvation of England's industrial life. The ocean-mail policy of England has been the master commercial stroke of this century. She has doubled any other nation in her ocean-mail pay, and in the same ratio has controlled trade.

SOUTH AMERICAN COMMISSION.

Four years ago the United States sent a delegation of eminent citizens


BRITISH AMERICA.
UNITED STATES.
New York.
Philadelphia.
San Francisco
Charleston.
New Orleans
MEXICO.
CUBA.
WEST INDIES.
CENTRAL AMERICA.
VENEZUELA.
GUIANA.
COLOMBIA.
ECUADOR
PERU.
SOUTH AMERICA.
BRAZIL.
Rio de Janeiro.
BOLIVIA.
PARAGUAY.
ARGENTINE REPUBLIC.
URUGUAY
Montevideo.
Valparaiso.
Buenos Ayres
CHILI
PATAGONIA.

to the countries of our south continent to learn from official sources the amount of their imports from foreign governments, and how much from each government, and the value of their exports and their ratio among the people they imported from. The commission was also to ascertain if there was any international cause why we should not export our products to them. The two volumes of the report of that commission lie on my desk. The time allowed me will not admit of an extended review, and I will in the main confine myself to the summary presented to the House by the gentleman from Michigan [Mr. BURROWS] in his able discussion of this question.

Our wisest men agree that we can not have permanently good times until we have a better outlet for our products. If we put our idle men into employment and our producing power should work ten hours a day we would be smothered with unsold goods inside of ninety days. Every revival of business for ten years has revealed this fact. But this report presents us a country whose demand for manufactured products is simply boundless. You ask where will we dispose of our products if we cultivate new fields, fire our furnaces, and set the looms in motion; and the answer comes, "To the people who live at our very door." We have the market at hand if we are only wise enough to control it.

MR. BURROWS'S STATEMENT OF THE SOUTH AMERICAN TRADE.

Within a stone's throw almost, right south of us, is the Republic of Mexico, with its twenty-seven States, with a government patterned after our own, with ten millions and a half of people. Her imports last year were more than $35,000,000.

Who controls the trade of Mexico, lying right upon our border? Why, sir, Spain took over twenty-six millions of it, Germany over eighteen millions and a half, France nearly sixteen millions, while the United States controlled less than ten millions; England took nine millions, and the Central American countries two and a half millions. So that of this entire trade with Mexico the United States controlled but a trifle over one-tenth, while nine-tenths of it was held by foreign countries.

Take Central America, with its five republics. Those five Central American republics have more trade with England by far—yes, double the trade—than they have with the United States, although they lie at our very doors, easily accessible from the ports of the Gulf States. Their principal imports are cotton goods. We could furnish every yard of cotton goods that the Central American countries need, but Great Britain in 1880 sold them 31,000,000 yards, while the United States sold them only 688,000 yards—a little over half a million, while England sold them over 31,000,000. The balance of trade with Mexico in 1884 was against us by over $3,000,000. The import trade of Central America has increased rapidly in the last fifteen years. In 1870 it was only $730,000; in 1884, it was $6,500,000.

In 1883, the United States sold the Central American countries manufactured goods amounting to less than $2,000,000, while Great Britain sold them over three and a half million dollars. Of cotton goods the United States sold them $124,000 worth, while Great Britain sold them $2,500,000 worth. The United States sold them only $4,000 worth of candles, Great Britain $13,000 worth. We sold them $16,000 worth of china and glassware, Great Britain $28,000 worth. Of wearing apparel the United States sold them but $24,000 worth, England $148,000 worth. Of iron and steel we sold them $300,000 worth, while England sold them $500,000 worth. Of wood manufactures we sold Central America but $4,000 worth, England $121,000 worth. And in the last twenty years our entire trade with the Central American countries, so far as exports are concerned, has amounted to only sixteen millions, while that of Great Britain alone has been more than $46,000,000, and with France more than ten millions and a half.

Why, sir, look at these countries south of us—Mexico, Central and South America, embracing within their confines forty-three million people substantially without manufactures—fifteen republics, fashioned after our own, and the great Empire of Brazil. I have referred to the commerce of Central America alone. Take the commerce of Central and South American countries together. Of her $420,000,000 imports, they bought of the United States only $40,000,000—one-tenth—the balance, $380,000,000, was purchased of foreign countries other than our own; yet all she consumes we can produce. Of the $800,000,000 merchandise exported last year from the United States less than 7 per cent. went to Central and South America.

Iron and steel those countries buy of Europe by millions while our mills are shut down. What is the reason of this? What is the trouble?

Why, sir, to those South American countries we have two lines of steamers—only two. We have one line, the Red D line running from New York to Venezuela, and another line running from New York and Newport News to Brazil. Outside of these lines there is not a single American steamer entering a port of the South American countries or flying an American flag. The Brazilian line has three steamers, every one of them American built; the Venezuelan line seven, all of American construction. We thus have ten steamers on two lines running to Venezuela and Brazil, the only two countries of all the South American republics to which our steamers run. And for the mail service to these two countries we paid last year the magnificent sum of $5,603.08. At the same time we paid from Tampa to Key West $23,600.

Take the Republic of Venezuela, with her population of 2,000,000 of people. Our exports of manufactured goods are small. In 1883 we sold her, of cotton goods, $214,000 worth, while England sold her $1,500,000 worth.

We sold her of chemicals $107,000 worth, $278,000 of iron and steel, $77,000 of petroleum, and $75,000 of furniture.

France sold her of leather goods, boots and shoes, $70,000 worth, and the United States, with her great factories, sold the people of Venezuela only $1,700 worth.

The establishment of the Red D line has opened that country to us and done much to increase our trade. In 1870 our imports from Venezuela were two millions, in 1884 they were six millions and a half. Our exports in 1870 were $866,000; in 1884 two millions. In 1870 we imported 11,000,000 pounds of coffee; in 1884 53,000,000 of pounds. In 1870 we shipped to her $15,000 worth of furniture; in 1884 $80,000 worth. In 1870 we bought of her $440,000 worth of hides; in 1880 $1,052,000 worth. In 1870 we sold her $23,000 worth of oil, and in 1880 $82,000 worth. This gives some slight idea of what the Red D line has accomplished. Yet of the entire import trade of Venezuela England to-day controls one-half of it, and the United States a little less than one-third.

The Red D line has advanced our interests with this country, and yet it has but seven vessels. It made thirty-four trips last year, sailing 6,000 miles each trip; yet we paid that line only $1,300, while at the same time we paid to the steamer running from Brunswick to Simon's Mills, in your State of Georgia, Mr. Chairman, 12 miles, $1,000, and we pay only $1,300 to this Venezuelan line.

The United States of Colombia, how about our trade with her? Not a solitary American steamship entering her port, yet her trade is great. England sells her annually three and a half millions of cotton goods, while the United States only half a million. Of boots and shoes she bought of the United States $112,000 and of France $750,000. France sells her $828,000 worth of wearing apparel, while the United States sells her but $85,000. She imports annually $20,000,000 worth of manufactured products, every single article of which we produce in this country and might sell her, but we have not a single steamship connecting with her ports.

Go down to Peru, a country with three millions of people and institutions modeled after our own. She is practically without manufactories.

The United States sold Peru in 1882 of cotton goods only $42,000 worth, while Great Britain sold her $2,325,000. In 1882 we sold her of hardware—iron and steel—but $73,000 worth, while Great Britain sold her $811,000 worth.

Of the article of paper the United States sold $1,170 worth and Great Britain $46,000 worth. Of manufactured hemp the United States sold her $7,000, while Great Britain sold her $100,000. Of wearing apparel Great Britain sold her $58,000, France $178,000, and the United States not a dollar's worth. Of woolen goods she bought of England $481,000 worth, of France $719,000 worth, and of the United States not a dollar. Why is this? We have no communication with that country.

Now and then by a stray sailing vessel American goods reach her ports, but they are shipped generally to Liverpool and Hamburg and carried under a foreign flag around the Horn. The Royal Mail Steamship Company and French line monopolize this entire trade, and do it not by being paid the sea and inland postage, but are aided by liberal compensation for carrying the mails.

How easily the Pacific Steamship Company could extend her line from Panama down the western coast, but the United States says to her, "If you take that venture we will give you half the postage on the letters you carry, though these letters may lay the foundation for a great trade with the Republic of Peru."

Take Chili, with her population of two and one-half millions, and the trade with that country is enormous. I can not go into it at length, but she buys annually $35,000,000 worth of manufactured goods. Think of it; $35,000,000 annually! She has more trade per capita than France, twice as much foreign trade as Mexico, and four times as much as the whole of the Central American states.

Yet the United States has less than 4 per cent. of this trade; England, France, and Germany control more than 80 per cent. of her trade; and Great Britain alone takes more than 50 per cent. of it. In 1882 our trade was only $3,500,000 with Chili, while Great Britain's trade that very year was $73,000,000, and France and Germany $13,000,000. And yet we stand idly by and refuse to do anything to secure this trade. Germany sold of sewing-machines—for they are not savages down there—in 1883 Germany sold of sewing-machines $109,000 and the United States $7,000.

Germany sold her of pianos $112,000 worth and the United States $7,000. Of cotton goods Germany sold $1,645,000 worth, and the United States $300,000 worth. Of boots and shoes Germany sold $234,000, and the United States sold none! In 1882 England sold $7,000,000 worth of cotton goods and one-half million dollars' worth of woolen goods, and two millions of iron and steel, every single yard and pound of which could have been furnished by the looms, mines, and mills of the United States. From 1863 to 1882, in twenty years, England sold her $213,000,000 worth, France $135,000,000, and the United States $36,000,000.

In 1882 Chili bought $10,000,000 worth of cotton goods, only $300,000 of which came from the United States; $4,000,000 worth of woolen goods, $6,000 of it from United States; $319,000 worth of carpets, none from United States; $470,000 worth of silks, none from the United States; $1,289,000 grain and flour bags, $114 worth bought of the United States; she bought $722,000 worth of hats and caps, from the United States none; $1,261,000 furnishing goods, $125 of this came from the United States; she bought $400,000 worth of watches and jewelry, we sold her $21,000 of it; $428,000 worth of boots and shoes, $11,000 worth of which came from the United States; she bought $892,000 worth of glass and crockery, $15,000 of it from the United States; she bought $2,000,000 worth of hardware and cutlery, $200,000 of it came from the United States; $2,300,000 worth of iron, of which the United States sold her but $306; she bought $164,000 worth of watches, but no portion of them came from the United States. What is the trouble? Why this paucity of trade? Why, we have no communication with Chili! And when it is proposed to extend the steamship lines carrying American mails to that country by permitting the Postmaster-General to contract for this service the same as for the domestic service the cry of "subsidy" is raised.

In 1881, thirteen hundred and eighty, and in 1882, fifteen hundred and sixty vessels entered the ports of Chili, more than twenty-five hundred craft in all. Four-fifths of them were under the English flag and not a single steamship from the United States carrying the American flag.

It is easy to extend our Pacific mail down the coast and touch at Chili, but the reply comes "if you take the venture we will give you only 5 cents a letter for carrying American mails."

What does Chili say in her public press? And let me say right here that many of these foreign countries are anxious to establish mail communication with us. They never refer to us but as the "great Republic," and they have standing offers of a hundred thousand dollars if we will do something to establish mail communication with them; but we have refused. When we try to do it we are met with the cry of subsidy.

I read from an article, an editorial, published in a Valparaiso paper, the Journal of Commerce, which will give you some idea of the thought of Chili upon this subject:

The political economists and manufacturers of the Grand Republic [as they call the United States] are beginning to realize the small amount of trade they do with the South American countries in comparison with England, France, and Germany. Without exaggeration we may say that these nations rule our market, and the commerce of the first named exceeds that of all the other nations of the Old and New World together, forming a painful contrast with the United States.

In the last twenty years, commencing from 1863, the exports from Germany to Chili have increased from $772,515 to $10,015,564, those from France from $4,301,858 to $8,935,309, and those from England from $1,090,069 to $31,638,000. From the United States they have decreased from $1,810,846 in 1863 to $1,774,615 in 1882. More notable still are the exports, for to Germany they increased from $684,596 to $4,811,438, to France from $1,649,364 to $6,208,927, to England from $12,313,029 to $58,961,622, but to the United States they only increased from $1,352,672 to $1,666,978.

We can therefore say that, should the commerce with the other nations continue in the same proportion, before twenty-five years shall have elapsed the products of the Grand Republic will be excluded from this coast, as the North American flag now is, being represented last year by only two steamers—vessels of war—in the presence of 10 Spanish, 12 Italian, 78 French, 100 German, 1,944 English steamers. The United States yields in nothing to other nations, neither in population, richness, nor industrial products. It rather surpasses them in most respects, and should have our trade by reason of its proximity and the international sympathy engendered by common institutions and aspirations. It is therefore a case which excites our curiosity, wounds our self-esteem, affects our commercial interests, and needs careful consideration and efficacious remedies.

The people of the United States no doubt believe, as they have good reason to, that the humiliating condition of their commerce in South America is neither natural nor fatal, and there is an easy method of improving it, by overcoming the artificial obstacles which stand in the way, in order that the great Republic may take the first place in rank and honor. The distinguished commissioners will commit a grave error if they attribute the prostration of their commerce to antipathies or bad feeling toward their country, or to a predilection for European manufactures. On the contrary, there is no one in Chili who does not recognize the superiority of American products, natural and manufactured, and as regards price and quality they are preferred to European goods, with perhaps the exception of articles of fashion and fine arts, which they themselves import. Yet in spite of this the English and Germans have almost a monopoly in all the South American markets.

Whenever we have established and maintained steamship communication with foreign countries, increase of trade has rapidly followed. As the result of establishing the "Red D line," running between New York and the ports of Venezuela, our trade with that country has rapidly increased from $1,793,000 in 1879 to $2,953,000 in 1884, and $3,043,339 in 1885.

On the eastern side of South America the Brazilian line stops at Rio. Fifteen hundred miles beyond lies the great Argentine Republic, with a population of 3,000,000, with fourteen sovereign states confederated into a central government, with her president and national congress, her capital, Buenos Ayres, having 500,000 people, 40,000 of whom speak the English language. We are scarcely known there as a nation.

In 1884 this great republic bought $94,000,000 worth of manufactured goods. Of this amount $38,000,000 came from Great Britain; from France, $17,000,000; from Germany, $9,000,000; from Belgium, $7,500,000; from Spain, $5,000,000; from distant Italy, $4,000,000, and from the United States seven and one half million dollars' worth—only about 8 per cent. of the United States.

Last year she bought $20,000,000 worth of clothing, every article of which could be manufactured in the United States; $8,000,000 worth of furniture, all of which we might have furnished. In the last twenty years we have bought of her $110,000,000 worth of raw material and sold her but $47,000,000 worth, paying her $63,000,000 in cash, which has gone to enrich our foreign rivals. But with whom does the Argentine Republic trade? In the last twenty years we have sold her $40,000,000 worth; Great Britain, $254,000,000, and France, $313,000,000. In 1883 Great Britain sold her of cottons alone $6,665,000 worth; while the United States sold her but $150,000 worth. The United States sold her of woolen goods but $7,500 worth; while Great Britain sold her $2,169,000 worth. The United States sold her of iron and steel $500,000 worth; while Great Britain sold her $6,725,000 worth. Her total commerce with European countries is 90 per cent. of her whole trade, and with the United States only 10 per cent.

What is the trouble? We have no communication with the Argentine Republic, and her great capital, Buenos Ayres, or with Uruguay, and the beautiful city of Montevideo. Twenty-one lines connect her ports with Europe.

In 1884, 3,629 steamers arrived at the great city of Buenos Ayres. How many from the United States? Not one; 3,629 steamships and 3,445 sailing vessels.

Of the total tonnage that entered the port of Buenos Ayres, 24 per cent. was under the British flag, 16 per cent. under the French flag, 9 per cent. under the German, and 24 per cent. under the flags of other countries, and the United States had the miserable representation of 2 per cent. of the sailing vessels. Two hundred ocean steamers ply between Buenos Ayres and European countries, and if you want to reach Buenos Ayres you must take passage across the Atlantic and sail from England. Forty to sixty steamships arrive in Buenos Ayres every month. English, German, French, and Italian lines have over one hundred steamships carrying the mail into her ports, with freight and passengers. Italy has a fast mail line running in fifteen days. We must send our mails, passengers, and freight by Europe. All these lines are liberally paid for carrying the mails.

How easily the Brazilian line could be extended down to the Plate. Yet we refuse to encourage this line in such an undertaking. And if she takes the venture we will promise to pay her only the sea and inland postage on the mails carried.

Look to Uruguay with her seven hundred thousand people and her capital of one hundred and four thousand. The annual value of her commerce is $50,000,000, her imports $26,000,000. In 1885 she imported from Great Britain $8,000,000 worth, from the United States $1,500,000. She imports annually $20,000,000 of manufactured products, more than one-fourth of which comes from England and 18 per cent. from France. Between 1862 and 1882 she bought of the United States $21,500,000 worth, of England $115,000,000, and of France $118,500,000. In 1882 England sold her of cotton goods $3,000,000 worth, the United States $580,000; of iron and steel $1,269,000, the United States $98,000; of woolen goods $865,000, the United States $1,350. England sold her $350,000 worth of coal, the United States $2,000 worth; $286,000 worth of hemp, the United States $38,000 worth.

Twenty-one lines of steamers from Europe enter her ports—eight British lines, four French, two Spanish, one Italian, one Belgian, one with the Netherlands, none with the United States—only an occasional sailing vessel. The result is we have no trade with this country and can not have until we have regular communication. Merchants can not order goods of us with any certainty of receiving them in time for their trade. The South American Commission say in their report that if a merchant in Uruguay orders goods from the United States he must wait from five to nine months for returns, while he can cable an order to Europe and receive his goods in forty-five days. The commission note an instance where a nine months' order had not been received and the last cargo from New York was one hundred and twenty-five days to Montevideo, six months after the order was mailed. We had no mail communication except via Europe; hence the delay. But a cablegram was sent to England and in sixty days the goods were there.

The advantage of mail communication is that the foreign merchant in ordering goods knows they will arrive in time to meet his trade, as mail lines run upon regular time between intermediate and terminal ports; come up the eastern coast of South America to the great Empire of Brazil with its population of 13,000,000, with which country we are connected by the New York and Brazilian Steamship Company.

This empire bought of England in 1885 $34,000,000 worth, and of the United States only $7,317,000. We import from this country annually about $50,000,000 and sell her only eight or ten millions. Her total imports are $140,000,000 annually. Of this, England furnishes 45 per cent., France 17 per cent., and the United States only $8,500,000.

In 1883, she bought of England $15,778,098 worth of cotton goods, of the United States $612,828; of England $95,613 worth of hats and caps, of the United States only $119 worth; of England $1,446,572 worth of flax manufacture, and only $49,000 from United States; from England $5,674,407 of iron and steel, $1,034,648 worth from the United States; $1,000,000 of manufactures of leather goods from England, and $36,000 worth from the United States. She bought of Great Britain $1,618,000 worth of woolen goods; of the United States only $2,842 worth. She bought $1,500,000 worth of wearing apparel from France, and only $17,000 worth from the United States.

I need not follow these comparisons at greater length. In view of their startling disclosures it is amazing that any American citizen should seek to obstruct the passage of this bill before us, which looks to securing to the United States a fair share of this great trade.

The able Secretary of State, in commenting on the report of the South American Commission, said:

I. It seems to be very evident that the provision of regular steam postal communication, by aid from government, has been the forerunner of the commercial predominance of Great Britain in the great marts of Central and South America, both on the Pacific and Atlantic coasts of the continent. It is no less apparent that the efforts of other European nations, Germany, France, and Italy, to share in this profitable trade have been successful in proportion with their adoption of regular steam postal communication with the several markets whose trade they sought.

II. These papers show, also, that the enterprise and sagacity thus shown by European nations have actually reversed the advantages which our geographical position gives us in relation to this extensive commerce of the American hemisphere. The commercial correspondence of our merchants with the trading points on the east and west coasts crosses the Atlantic twice to make a postal connection in a circuit of trade which has its beginning and its end on our own continent. The statistics of our limited trade, under this extraordinary disadvantage, show that the growing preference for our products in these South American markets insists upon being gratified, even at the cost of a circuit of importation which carries our merchandise to Europe and incorporates it as a contribution to the volume and profits of European South American trade. No stronger demonstration of the tendency of commerce to follow in the train of postal communication can be conceived than this vast and expensive circuit of importation resorted to in default of direct opportunities between the countries of demand and supply.

WILL THEY USE OUR GOODS?

The goods made in this country are sought after by the people of this south country. Everything American is regarded by them with favor and sells readily. It frequently happens that the English manufactured goods are branded "American-make." One of our commissioners found large quantities of English-made cotton at Rio branded "Augusta mills," in imitation of the celebrated fabrics of the Augusta (Ga.) mills. We have at this time a favorable opening with this people, for nearly all the products they buy are of the cheapest grades, or such kinds as we can produce at as low a figure as any other people.

It costs more to produce certain kinds of goods here than in foreign countries, where labor is at pauper prices. All goods that we can not produce as cheaply as these countries we could not ship from home and sell in the world's competition; but I say the most of the goods used by this south country are of the class that we can manufacture with the world. Proficiency of manufacture is acquired more quickly in cheap goods than expensive, in the goods everybody uses than in those of rare use. Hence in all the cheap fabrics we are to-day competing with the world. Those people use cotton almost exclusively; they are the cotton users of the world. We are the cotton producers of the world. The cheap and coarse grade of cotton we can put into their markets against the factories of Europe.

In the common cottons 70 per cent. of the cost is in the raw material. The labor is a small item, and we can sell as cheaply as any nation. When we go into the higher grades labor enters more largely, and because of the high prices of labor here we are unable to compete successfully with the old countries; but we can and we do compete with the world in all cheap goods. In all the fabrics of iron, steel, wool, cotton, and leather goods, largely made by machinery, and in which manual labor is comparatively a small element, we invite an open market.

Other countries are lacking in machinery, because with them human hands are cheap; hence that which machinery can not do, or can only do a small part of, they produce at a lower price than we. That which machinery can do largely we can put onto the market at their prices and yet pay our workers American wages.

At this time, when there is such a desire to keep up the prices to our laborers, it seems most auspicious that we have an opportunity to open trade with a people who want the very goods that we can make against the world and yet pay the workmen the best of wages.

We can not ship silk, fine woolens, fine cottons, nor fine goods of any kind to England or elsewhere. There is too much work of the hands in them. Whatever the human hand touches in our country it dignifies, even in price. The human hand is the prophecy of all that can be achieved by human endeavor; it is the incarnation of man. Man is a sovereign on this soil, and the labor of his hand must receive a just remuneration. It is the duty of this House to recognize and protect the dignity of that hand. I shall not ask to strike it down, that the greed of cheap purchase may take its handiwork to the ports of older civilization and lay it beside a pauper's work.

Let us sell what we can to European countries with fair pay to our workmen; but we can ship the coarser goods everywhere, and our Southern neighbors are inviting us to come to them. We need no other trade.

The gentleman from New York [Mr. HISCOCK], in discussing the question of goods we could ship to this country, said:

This is so true in the iron and steel industries that I believe the exportation of iron and steel goods to those and other foreign markets within the last year amounted to over $16,000,000; and yet we can not compete with England in all the steel goods; but in machinery, in agricultural instruments—the hoe, the ax, the shovel, the augur, the bit, nails, wire, and mowers, reapers, plows—in all an agricultural people consume we can and do.

These are goods that Mexico and Central and South America demand and will buy from us and are buying from us to a certain extent to-day and will continue to buy if we can ship them there. This is also true as to cotton fabrics. All the cheaper grades of cotton goods we can produce in this country and compete successfully with the manufacturers of the world. I have been told within the past year our producers of the cheaper, coarser cotton fabrics have been able to produce and export and sell in the English colonies their goods in competition with the English manufactured goods, because they were enabled to produce them cheaper by the aid of labor-saving machinery. And this is proved by the fact our yearly exports of them amount to $12,000,000. Of many products of leather this is equally true.

Of leather goods we export to a foreign market about $10,000,000 in value, and you may go through with lines of goods those people buy and consume and you will establish the fact that by the development of our manufacturing industries, by the use of machinery, we are able to make and sell to them as cheap as any one else those goods of which they consume considerable quantities and which make up their foreign commerce, but which they now the more largely buy in Europe, and we are unable to compete with Germany, and with France only when they control the carrying trade."

On examination of the commission's report of the goods we export to this south country, I find mentioned alcohol, rice, sugar, lard, hams, butter, cheese, cotton goods of all kinds in the cheaper grades; woolen goods of all kinds in the cheaper grades; clothing, wire, agricultural implements, paints, paper, flour, provisions, hats, caps, coal oil, tobacco, and the manufactured articles of iron, steel, and leather. In fact, this people want the goods and products that we produce in the greatest surplus. We have the goods they want and at the prices they are accustomed to pay for them.

ILLUSTRATION.

I shall particularize only an article or two. The people of Brazil annually import $500,000 worth of butter and cheese. But where from? Not from this country; and yet we are the greatest producers of butter and cheese on the globe. Not one pound of either of these has ever been shipped from the United States to Brazil. Butter sells off the vessel there at 75 cents per pound; at my home butter, this week, is worth 15 cents a pound.

The coal trade has grown to vast proportions in South America. Millions of dollars' worth are imported annually, but not a single ton from America. It all goes from England. Yet our coal mines are running on half time or closed up altogether. Just across the Gulf of Mexico from South America lies our State of Alabama, and a recent geological survey says that beneath her soil is coal enough to supply our entire continent for three thousand years.

In Brazil, Chili, and Buenos Ayres the representative citizens complain much to our visiting commissioners that the United States did not open proper commercial relations with their country. Their papers and orators always allude to this country as the great Republic; their highest ambition is to pattern after us. Brazil says she is ready to meet us to the full extent of her ability in supporting an ocean mail. A year ago when it was supposed this country was going to inaugurate an ocean mail line to the south, they offered an additional pay of $100,000 a year. A Canadian line promptly offered to perform this service for $60,000 and extend the line up to Canada. It is well known how our proposed measure failed, and Canada then withdrew her offer.

In every instance the chief dignitaries expressed a desire for closer relations with us. They feel, as we ought to feel, that there should be a close compact of fraternal sentiment and business interest between the countries on this side of the water. Especially is this commercially profitable when climate, geography, and a difference in civilization makes each of our Americas the complement of the other—what we have not, and can not grow, by reason of our climate, they grow bounteously and can furnish us. All that they need and are unable to produce we manufacture in a surplus, and can furnish them. With a population nearly as great as our own, and a territory twice the extent of ours, directly adjoining us, and part of our own continent, they ask us to open the gates of commerce and let the tide of prosperity roll through. And yet some men here cry, "Shut the gates; we can save some thousands of dollars by sending our mails on English ships." Did ever evil genius more unfortunately blind the judgment of men!

ONE SHIP LOAD.

Let me give an illustration from the manifest of a vessel (the Finance) of the Brazilian line which sailed from New York on the 28th of February last. She had on board, going from the United States to those South American countries, $250,000 worth of American goods.

Where did that quarter of a million dollars' worth of products come from? It came from twenty-four States of this Union. Look over the list of articles—hardware, scales, and fur goods from Connecticut; axes, organs, and printing-presses from New York; locomotives, cars, steel tires, and machinery from Pennsylvania; wagons and sewing-machines from New Jersey; ranges from Maryland; cotton cloth from Georgia; steel springs and furniture from Michigan; car-wheels, sewing-machines, and furniture from Ohio; rosin and tobacco-cutters from North Carolina; scales and axes from Rhode Island; engines and machinery from Illinois; sheetings from South Carolina; furniture and slates from Vermont; watches and clocks from Massachusetts; bacon and hams from Kansas; scales and wire from Missouri; flour from Wisconsin and Minnesota; canned fruit and hominy from Maryland; fish from Maine; canned fruits from Delaware; oysters from Louisiana; flour from Virginia; rosin and hominy from Oregon; agricultural implements from Iowa; wagons and plows from Indiana.

Products representing twenty-four States, amounting in value to a quarter of a million of dollars, taken from our farms and factories and going to this southern market. So diversified are the wants of this people that one vessel reaches out its arms and gathers its cargo from twenty-

four States. What a company of men that $250,000 worth of goods had kept employed for one year in its preparation! Estimating the labor in these goods at an average, and I suppose it would be fair to estimate them at that, we have 50 per cent. of this amount paid for labor to the men who work in the field or in the shop, not counting either of the extremes, as, for instance, in diamonds, where the raw material is worth 99 per cent. and the labor 1 per cent., nor that chiseled statue of Garfield in the grand Rotunda, on which the labor was 99 per cent. and the raw material 1 per cent.; but taking goods in the ordinary use, labor runs from 20 per cent. to 80 per cent. of the value.

The London Economist puts the average of labor in the average goods used at 50 per cent. This $250,000 worth of goods furnished labor for two hundred and fifty men for one year at $500 per year. Had all the work been confined to a city of 20,000 inhabitants with a surrounding country population of 5,000, it would have given employment to every one of their idle men for one year.

Who will say the name of that vessel, Finance, was not a good omen? Who will say that people were not helped when these goods were sold to that ship? Who will say a quarter of a million dollars more of goods would not have been left with us had that vessel not sailed? Who will say he does not want more vessels to sail with $250,000 worth of goods from twenty-four States? Who will say it is not a wise economy for our people to accept the policy so profitable to other countries and let trade follow the flag? Who will say he is willing to see thirty-six hundred and twenty-nine steamers enter Buenos Ayres another year, and not an American steamer? Who will say he is willing twenty-one lines of steamers shall continue to ply from foreign countries to Uruguay and not one American steamer enter her port, only an occasional sailing vessel?

Who will say the statesmanlike sagacity pleaded for by the elder Bayard and President Polk forty years ago prudently followed out would not have maintained our prestige on the ocean. Instead of nine-tenths of the trade of the southern continent crossing the ocean, we would to-day be controlling five-tenths of it; we would this year have $300,000,000 of that trade. We are entering upon this contest after other nations have established themselves; it is a late start, but to Americans all things are possible. We have the advantage of Europe in location; connection is quick and easy; we are producing everything these people need; we have the incentive of a million unemployed men to enter this field. On what other field can we enter with such invitation of prosperity? The passage of this bill would be a measure of sound Government policy.

Sixteen vessels a week leaving our shores for these south ports would carry $4,000,000 worth of goods; this would give us $200,000,000 worth of exports there a year. We could within a short time raise this to $300,000,000. We could easily supply another $100,000,000 to Australia, China, and Japan. This $400,000,000 a year for our products means $200,000,000 for our labor. Where, then, would be the Labor Commissioner's million idle men, and where would be the burdensome surplus? As those vessels steamed daily from New York, Charleston, New Orleans, and San Francisco they would form the grandest argosy that ever floated on the waves; they would have caught up the burden of the nation between their iron sides and sailed away with it.

THE MEANS OF COMMERCE.

The Central and South American Governments have few ships of their own. Hence, wanting a certain kind of goods they buy of the vessels that bring them to their doors, and thus naturally the trade of these countries is controlled almost entirely by those nations which have the largest merchant marine. The control of commerce is in the hands of the nations who control the means of commerce. What are the means of commerce? They are mail facilities, ships, banking-houses, commission-houses, and agents. There must be steamers to convey mail and merchandise with speed and regularity; there must be all the varied exchange, credit, draft, and the large lines of accommodations afforded by banks; and then commission-houses must be established where each line of goods, as it is landed by the vessels, finds reception; then agents must travel the country, after the manner of our drummers, and the goods they sell by sample must be delivered with regularity and certainty.

So it comes to pass that the people who seek important commerce with foreign people must have ships, mails, banks of exchange, commission-houses, and agents. Having the means of commerce, they can control commerce. Wherever the English ship goes laden with the manufactures of Great Britain, she finds at the end of her journey an English commission-house ready to take her goods and dispose of them among the people of that country. It is by all of these means that she controls trade.

Of what avail is the generally favorable sentiment of South America for us if we have not the appliances to furnish them goods? Our mails to them are far between and always irregular. We have but ten steamers going to the entire southern continent, when we should have more than that sailing from our ports every week. We have nothing like regular commission-houses and agencies, and as to banking all our exchange is through English houses. When England, or France, or Germany contract to establish ocean mail to a foreign port it is for a term of years, and it is well known that it will be permanently continued. Thereupon her pushing business men open houses at these ports and exhibit their wares. If they need supplies from home they are received with promptness. A local commission agent from Brazil visited this country and among other things took back a large number of harvesting machines. They were received with great favor, and sold so readily that he at once ordered three hundred more. They took the usual course of American shipping to that country and were received seven months after the order. It is proper to infer that the harvesting season was over when they got there.

If we will make a five-year contract to carry our mail to these southern ports our merchants will flock to Rio, Buenos Ayres, Montevideo, and the great cities of that country, and open commission-houses. The restless agent for American goods will push his way to every trading-post and store in all that land. When the wholesale buyer wants an article the commission-house does not have the drummer will reply: "We will order it for you from America, and have it here inside of thirty days."

Their merchants will open trade with ours because they will know we have come to stay. I know it requires time to get all these appliances at work, and that we can not in a year reach full control of this trade. Yet the first year will beyond, all doubt, yield gratifying results. When the word gets out among these people that the great Republic has recognized them and asked for the fellowship of barter, which next to the kin of citizenship makes a united people, the American ship will be the welcome guests in their harbors.

England has made of herself the workshop of the world, and by sailing her own ships, and maintaining rapid mail communication with all the nations of the earth she is enabled to control commerce to a larger extent than any other nation. She buys less and sells more than any other government. She buys nothing but raw goods; she sells nothing but manufactured goods. She sells to every one of the south countries more than she buys; in some instances six times as much as she buys. Last year she bought $5,000,000 worth of products from the Argentine Republic, and sold that country $30,000,000 worth. Not so with us; we buy from these countries more than we sell, and the triangular ship system helps to keep us in this rut.

English lines of vessels loaded at Liverpool for Brazil discharge their cargo there, and loading with coffee and other goods sail up to New York, discharge their load and sail across to Liverpool. They take a cargo to Brazil, and having no order for a return load home, and as we have no ships there, they take on board the order for a load of goods to America. And this is how we sell to Brazil only $8,000,000 worth a year, and our imports from her amount to $50,000,000. We ought to get rid of British triangular ships.

Now, sir, we ask that this country rise from her criminal inactivity and assert a place on the high seas, and put in her bid on the world's commerce. The Post-Office appropriation bill before us proposes to pay $800,000 for ocean mail service to Mexico, Central and South America, China, Japan, and Australia—$400,000 to be paid to existing vessels for making increased trips to the ports where we now have mail communications, and $400,000 to existing vessels and new vessels for extending our mail communications into ports with which we do not have mail facilities. We have scores of vessels like the Delaware steamers already alluded to that could be called from their tramp trade into this national commerce.

This service is to be let out to the lowest bidder, but not more than 50 cents can be paid for each mile traveled. For this entire service and its extension but $800,000 can be paid. This is less than Germany pays to one line of steamers, and but little more than France pays to the West Indies and South America. If every contract should be made at 50 cents per mile we will then have the cheapest mail service in the world, not another of the great governments paying less than $1.03 per mile.

For carrying the mails from Port Townsend, to Neah Bay, 102 miles, we pay $6,303; yet from San Francisco to Mexico, a distance of 1,520 miles, we pay $208. Does any man believe the latter to be a just compensation?

For carrying the mail from Tampa to Key West, a distance of 249 miles, we pay $23,600. These are American ports; but from Key West to Cuba, a distance of 100 miles, we pay $237, the latter being a foreign island and called foreign mail. Do you approve of this as prudent business management when we seek the trade of that island?

We pay the New Zealand line $20,000 for carrying our mail to Australia, when we have an American line making exactly the same trip, and the New Zealand line is already paid $150,000 by its own government. Their purpose is to secure the trade of Australia and break down our line, which is seeking to secure that trade for America. Is this acting in good faith with American interests?

When we pay $280,000 for carrying our mail in foreign vessels and $46,000 to our own vessels, is that prudent management?

When for carrying commerce from and to our shores we pay to foreign vessels $136,000,000 per year and but $14,000,000 to American vessels, is that the statesmanship that builds a powerful government?

When in 1858 we were masters of the ocean, and in 1886 find ourselves without a vessel crossing the Atlantic with our mail, is it not loyalty to plead for the restoration of our commerce?

South of us lie fifty million people, their country bursting with natural

wealth, an empire richer than India, from which Augustus Cæsar brought back $40,000,000 in excess of values exchanged, or of that field of commerce where Solomon sent one voyage which returned him gold valued at $14,500,000. These people are inactive and without genius. They import $500,000,000 worth of manufactured products annually. They have asked to be recognized in commerce by the Great Republic, for they want to believe that their destiny moves with ours. We view the steamers from England, Germany, and France, loaded to the water's edge, bearing to their ports, into many of which the American flag has never entered, and unloading that merchandise whose sale and profit alone makes the vessel's native country tolerable to live in. We gaze upon this continent of measureless wealth that lies at our very door, and are surrounded at home by fields untended, by furnaces unfired, by a million idle men, by woman's face made white by anxiety and want, and are, like Tantalus, "doomed to parch with thirst in the midst of waves, and viewing banquets, to starve to death."

Rivers and Harbors.

SPEECH

OF

HON. RANDALL LEE GIBSON,

OF LOUISIANA,

IN THE SENATE OF THE UNITED STATES,

Tuesday, July 13, 1886,

On the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes, the Mississippi River amendment being pending.

Mr. GIBSON said:

Mr. PRESIDENT: If Senators had read the various reports of the engineers of the Army, of the Mississippi River Commission, and of Captain Eads upon the subject of the improvement of the Mississippi River, I would not at this time make any reply to the observations of the Senator from Kansas or tax the patience of the Senate while I attempt to set forth the facts and principles involved in the correct solution of the problem which concerns so vitally the people of the whole Mississippi Valley.

The idea that led to the purchase of the Louisiana territory originated in the earnest aspiration of the people of the Western country, I may say of the whole country, to gain control of the Mississippi River, that was even foreshadowed in the Farewell Address of George Washington.

If there be anything which is peculiarly the property of the United States, and over which the Government possesses exclusive and absolute jurisdiction, it is this great highway of commerce, for not only was it purchased out of the common Treasury but by the treaty under which it was acquired it was dedicated to the free and common enjoyment of the people of the whole country, and the enabling acts by which the riparian States were admitted into the Union specially denied to these States the right to levy any tax of tonnage or to exercise any jurisdiction whatever over it. And whatever might be the disasters or emergencies threatening the welfare of the riparian States, growing out of the extraordinary phenomena of this inland sea, they are prohibited by the Constitution of the country from any co-operation or agreement whereby they might protect themselves.

This undisputed and unqualified jurisdiction reserved to the Government of the United States, I submit, carries with it corresponding obligations and responsibilities. If it can be demonstrated that radical changes have occurred in the conditions of the lower river in consequence of the improvement of the upper rivers by the Federal Government, the destruction of the forests, and the settlement and cultivation of the country under the sanction and authority of the Government, it might well be held that the people of the lower valley possess an equitable claim that the Government shall at all events interpose to mitigate these newly created conditions that tend to destroy not only the navigation of the river but their homes, lives, and property, the very existence of civil society itself in the alluvial region.

Ownership carries with it responsibility *sic utere tuo non alienum lædas.* I do not propose at this time to discuss that aspect of the question. I merely suggest it. Indeed, I may say that the Government of the United States has accepted the duties and responsibilities arising from the possession and jurisdiction which it holds over this the greatest single highway of commerce within its borders or in the world. For hardly had the national authority been extended over it before engineers were appointed to explore the phenomena with a view of ascertaining the laws to which these phenomena were subordinate.

The first report was made by Major Bernard, an exile from France, appointed a major in our Army, who afterward became Secretary of War under Louis Philippe. He announced the doctrine that if the channel be contracted the velocity would be increased thereby and the channel deepened. This same view was taken by General Barnard, recently deceased, one of the most distinguished engineers of the Army of the United States, who was for many years employed on the Mississippi River, and whose able and comprehensive reports I hold in my hand. The people of the Mississippi Valley owe to this officer a debt of gratitude.

Generals Humphreys and Abbott were for more than ten years engaged in service upon the river, and at the conclusion of their investigations they explicitly condemned and rejected the outlet system and advised that the only way to improve the river was by the establishment of a system of levees. Similar investigations were made and results announced until about the year 1875, when Captain Eads applied the jetty system at the mouth of the river.

Two parallel jetties were extended out over the bar at the mouth of the Mississippi River conforming the water to a narrower channel, and where there had been 8 or 9 feet depth there is to-day 30 feet, affording an entrance for the largest ships to the harbor of New Orleans.

Mr. VAN WYCK. Will the Senator allow me a moment right there?

The PRESIDENT *pro tempore.* Does the Senator from Louisiana yield to the Senator from Nebraska?

Mr. GIBSON. I prefer not to be interrupted until I shall have finished my remarks.

The PRESIDENT *pro tempore.* The Senator from Louisiana declines to be interrupted.

Mr. GIBSON. I will support all statements I may make by the latest reports of the engineers of the United States in respect to this matter, and would prefer not to be interrupted, as I have not reduced my remarks to writing, and might be led into extraneous discussions that would detain the Senate beyond proper limit.

Mr. VAN WYCK. I desired to make a remark in regard to the work of Captain Eads.

The PRESIDENT *pro tempore.* The Senator from Louisiana declines to yield.

Mr. GIBSON. I know some persons deny the existence of the jetties at the mouth of the Mississippi River, just as Berkley demonstrated by analysis that no such thing as matter existed, and as Dr. Johnston replied to him that he stamped his foot on the earth and that was demonstration enough to convince him of the existence of matter, so I will say to the Senator from Nebraska [Mr. VAN WYCK] that if he will visit the mouth of the Mississippi River and look at the jetties he will no longer deny their existence, that is if he is willing to be controlled by the evidence of his senses.

When I myself in the year 1875 went down to the jetties and saw precisely how that system operated, I conceived the idea that it might be adapted to the whole river, for I saw no reason why, if by holding all the water in the river through one of its passes the channel should be deepened, the same process of contraction would not if applied uniformly and gradually up-stream deepen the river every foot of the way throughout the alluvial region.

In order to give practical effect to this system I framed a bill for the establishment of a Mississippi River commission, which I introduced in the House of Representatives in the year 1876, and in favor of which Captain Eads addressed the Committee of Commerce in April of that year, demonstrating as I thought then and still think that the application of that system to the river was practicable and feasible and economical and would not only give deep water, a ship-canal, if you please, to Cairo and Saint Louis, but would at the same time lower the bed and surface of the river so as to protect the people throughout the alluvial region from its disastrous floods.

The bill for a commission finally became a law, approved June 28, 1879, but it was found necessary to recognize the engineers of the Army, the Coast and Geodetic Survey, as well as Captain Eads and the engineers who agreed with him. Some of the most distinguished engineers of the Army were appointed members of that commission. General Gillmore was made its president; Mr. Eads himself was placed upon it in a subordinate position. General Comstock, who had always combated the views of Mr. Eads, was also appointed upon the commission by the President, and the distinguished Senator from Indiana [Mr. HARRISON], and the engineer in chief of the State of Louisiana, Mr. Harrod. In fact every member of the commission had a reputation for high character and ability and devotion to public duty. The act establishing the commission directed it especially "to report in full upon the practicability, feasibility, and probable cost of the various plans known as the jetty system, the levee system, and the outlet system, as well as upon such others as they may deem necessary."

There had been for years discussions of these various plans, and the Government had declined to attempt the execution of any one of them because of this difference of opinion.

I felt that it was but just and right that an end should be put to these academic discussions and that the day should be no longer postponed when the skill and resources of the General Government should be applied to the actual improvement of the river.

I knew that the trade and commerce of the river were suffering, that taxation fell more heavily upon the people of the valley of the Mississippi in consequence of these obstructions in their great natural high-

way, and that great injustice was inflicted upon the people of the lower valley by the indifference or rather inability of the Government to come to their relief.

Hence it was that the Mississippi River Commission was created, and a system has been adopted which in the main commends itself to the common sense of the people of the valley and the scientific men who have examined it. The commission have submitted their reports annually to Congress, and they are here before the Senate to-day to speak for themselves.

Now, it may well be asked, what has that commission accomplished? But in order to answer that question satisfactorily the difficulties to be overcome must be briefly and clearly set forth.

Many Senators representing States distant from the Mississippi Valley express wonder at the idea that there should be any necessity for work upon a stream so large as the Mississippi River. They can well appreciate how necessary it is to improve the smaller rivers of the country and the harbors on the Atlantic and Pacific coast and lakes, but they express amazement when it is suggested that the resources of the common Government should be invoked to improve the channel of the Mississippi River from the Gulf to Cairo, which presents a coast line over 2,000 miles long, longer than the entire Atlantic seaboard, and embraces a commerce larger than our whole foreign commerce.

I hope the Senate will bear with me if I go somewhat into detail in this matter. There were in the Upper Mississippi the following sand-bars between Cairo and Saint Louis. I will name them: Alton, Arsenal Island, Horsetail, Twin Hollows, Pulltight, Chesley Island, Jim Smith, and Cairo.

There were at every one of these points difficulties to be overcome and a depth of only 3½ or 4½ feet of water for from two to four and sometimes five months in the year.

This interruption of commerce for such long periods of the year between Saint Louis and Louisville, between the Ohio and Mississippi Rivers, was not that an obstacle to challenge the attention of the Government? And below Cairo what were the difficulties?

I will state them from a data before me furnished by the commission. They consisted of sand-bars that stretched out, some of them, 40 miles long.

The commission speak of six of these reaches, called, respectively New Madrid reach, 40 miles long; Plumb Point, 38 miles; Bentley, Helena, Choctaw, and Lake Providence. There is one also of my own personal knowledge at the mouth of Red River, which I do not see mentioned in the report.

These reaches or sand-bars place an absolute embargo upon trade, traffic, and commerce, not only upon the Upper Mississippi, between Cairo and Saint Louis, but on the Lower Mississippi, even as far down as the mouth of Red River, just above New Orleans.

I will not attempt here to estimate the increased tax that these obstructions impose upon the country. I hold in my hand a document on the internal commerce of the United States, issued by the Bureau of Statistics, which shows how many days in the year there is less than 6 feet of water over the shallow places and how many days less than 8 feet. In some instances navigation is closed for one hundred and forty-six days, in others one hundred and thirty-six days, and in others one hundred days, but during every year the average is nearly three months. So that here we have the greatest highway of commerce in this country directly closed and navigation suspended on it for three, four, and five months in the year.

These are not speculative but practical difficulties, plainly visible, well known and appreciated by the people in the Mississippi Valley. The same document from which I quote declares that the actual cost of transportation in vessels drawing only 4 feet is nearly twice as great as one loaded to 8 feet. I am well prepared to believe this statement, because when the river is shallow the navigation is difficult and perilous and impossible to the larger boats that carry the staple productions of the valley. Who can estimate, therefore, what a tax these shallow reaches impose upon the people of that valley, nay upon the people of the whole country? It can not be less than $150,000,000 a year.

Hence the improvement made by the Mississippi River Commission on that river has reduced the price of freights one-half by giving full 8 feet of water through the channel which they have improved. I hardly think it necessary to do more than call the attention of Senators to the fact that this operates not only to reduce the price of freight on the Mississippi River but to bring down the price of freights all over the United States, for the Mississippi River itself regulates the cost of transportation on every commodity produced in this country. Nor will I weary the Senate with statistics showing the population and productions of the Mississippi Valley.

The Mississippi River Commission was organized to remove these difficulties, to lift this tax, this burden from the labor of the industrious and frugal people who inhabit the great valley from its gateway at the sea to Lake Itasca. Is it not a legitimate purpose, a public purpose, a national purpose, and highly patriotic purpose? Are we to be sneered out of the Senate because the powers of the Government are invoked in respect to a matter that concerns the vital interests and happiness of the people interested in this the greatest highway of commerce in the world? Mr. President, the removal of any serious obstacle to navigation on the Mississippi River releases every producer, every home, however humble, in the valley, and every consumer throughout the length and breadth of this country from an onerous tax.

Now what have the commission done? I have stated what the difficulties were and I will now endeavor with equal frankness to exhibit how far the commission have succeeded in removing them. What are the actual results? My statements are not drawn from newspaper telegrams springing from the imagination of some sensational reporter, and which, when analyzed, will be found to be entirely erroneous, as I shall presently show was the case with the dispatch just read by the Senator from Kansas [Mr. PLUMB]. I have before me the official reports of the commission submitted to the Government on their official responsibility, and for one I am disposed to accept them as authentic and true. They can not be denied. Congress has appropriated $8,000,000 for the improvement of the river from Port Eads to Cairo, and about $2,000,000 from Cairo to the mouth of the Illinois. It is proper that I should say that not one farthing of this money has been expended by the commission, but every dollar of it has been expended under the direction of the Secretary of War by the engineers of the Army of the United States.

If Senators will turn to the last page of the last report of the commission they will find an itemized statement of the expenditures of every dollar of the appropriations already made.

On page 2875 will be found the financial statement to which I refer, giving an account of every cent that was expended under the direction of the Secretary of War by the Engineer Corps of the Army of the United States for the improvement of the river in accordance with the plans of the commission.

I will read it for the satisfaction of the Senate:

Act of March 3, 1881	$1,000,000 00
Act of August 2, 1882	4,123,000 00
Act of January 19, 1884	1,000,000 00
Act of July 5, 1884, less $5,000 transferred to snag-boat service	2,065,000 00
Total	8,188,000 00
Balances from former appropriations for works below Cairo, July 1, 1882, less $123.42 reverted to the Treasury	272,504 96
Balances from former appropriations for works above Cairo, July 1, 1884	22,632 53
For sale of fuel and loss of property	411 07
Total	8,483,548 56
Expended to June 30, 1885:	
Des Moines Rapids to Illinois River	120,949 22
Illinois River to Ohio River	389,339 56
Protection to easterly bank of Mississippi River near Cairo	27,849 99
New Madrid reach	210,364 74
Plum Point reach	2,379,019 12
Memphis reach	477,073 04
Memphis Harbor	198,580 97
Lake Providence reach	2,240,285 73
Vicksburg Harbor, dredging	61,812 12
Vicksburg Harbor, Delta Point	115,573 71
Survey of Helena reach	8,000 00
Survey of Saint Francis front, first district	4,873 11
Survey of Saint Francis front, second district	4,000 00
Survey of unleveed fronts, third district	1,000 00
Survey of unleveed fronts, fourth district	1,000 00
Survey of Cubitt's gap	137 14
Survey of Choctaw bend	2,679 86
Observations at Carrollton	3,000 00
Closing Bonnet Carré crevasse	15,000 00
Levees.	
Second district:	
Yazoo front	80,950 00
Long Lake	15,000 00
Third district:	
Opossum Fork	25,000 00
Yazoo front	364,875 45
Tensas front	411,107 74
Fourth district:	
Atchafalaya front	133,503 93
Tensas front	548,258 24
Mouth of Red River	98,386 32
Natchez and Vidalia Harbors	6,626 09
New Orleans Harbor	149,334 43
Total	8,093,570 51
Balance July 1, 1885	389,978 05

Respectfully submitted.

J. H. WILLARD,
Captain of Engineers,
Secretary Committee on Construction, Mississippi River Commission.

But I recur to the question, let it be admitted that the money has been honestly accounted for, let it be admitted, as all Senators will admit, that these gentlemen have spent every dollar of the money to the best of their ability, what is the measure of that ability? What practical results have they achieved? What fruits have the commission borne that will justify further appropriations? I will state these results from their own reports.

In the first place, the commission have in their possession a plant (including vessels, machinery, utensils, everything necessary to conduct these vast operations) estimated to be worth to-day to the Government $1,267,000. Speaking of the improvement between Cairo and Saint Louis, they tell us—

The revetment of the head of Arsenal Island has been finished, and the protection of the new banks formed by the system of works below has been continued. Additional hurdles have been put in at Horsetail, Twin Hollows, Pull-

tight, and Jim Smith's. Large deposits have been formed by these works, as expected, and the navigable channel defined by them has continued to improve, the least depth now reported being 12 feet at Arsenal Island, 9 feet at Horsetail, 8½ feet at Twin Hollows, and 10½ feet at Jim Smith's.

These are the results. The river from Cairo to Saint Louis has a minimum depth to-day of 8½ feet along its entire length, where there were but 3½ feet before these works were undertaken and executed. The commerce of the river instead of being carried on to-day in vehicles that draw 4 feet or 3½ or 3 feet of water for three months in the year may be carried on by vessels that draw 8 feet of water, and thus the cost of transportation upon that end of the river is reduced one-half, a fact that the people of the upper valley have manifested their appreciation of in every way in which it was possible by popular conventions, by memorials and petitions, and by the action of their Legislatures.

What has been done below Cairo? The commission have begun work on two of these reaches, Plum Point reach and Lake Providence reach, as I have already informed the Senate; and now we will hear what has been accomplished. I will let them speak for themselves, quoting from their last report:

NEW MADRID AND PLUM POINT REACHES, 220 MILES.

Since the last report work in this district has been confined to the Plum Point reach, and has been conducted in accordance with the general project described in the report of the commission for 1883.

The works of contraction at Gold Dust, Plum Point, and Bullerton have been repaired and extended, and foot-mats have been sunk along the faces of the principal lines.

Mattress work and upper bank revetment were vigorously prosecuted to the close of the season at Fletcher's field, Osceola Bar, Bullerton Towhead, and Craighead Point. The revetment work has remained in generally good condition, except at Craighead Point, where, although the foot mattresses appear to have kept in place, the upper bank revetment has disappeared.

This last work was undertaken in an emergency to protect a caving bank, was prosecuted under great difficulties, and was suspended before completion when severe cold weather prevented the delivery of stone. The general effect of the contraction works in this reach has been good, the main channel from Plum Point giving 12 feet depth. The deposits within the areas inclosed by the dikes have continued, although there has been no rise of any considerable duration. Bullerton Chute is filling up rapidly and the average fill within the Plum Point lines is about 15 feet. The fill within the Gold Dust system has continued, being in many places considerably above low water. It is especially noted that the old channel cut off by the main dike near Cross-dike No. 1 has closed, changing from a depth of 33 feet at low water to a height of about 12 feet above low water, since October, 1884, a fill of about 45 feet, obtained mostly in one small flood.

Losses in this district have been confined chiefly to the earlier work, the dikes and revetments of later construction having suffered but little damage when completed and secured before floods set in. The present value of the plant used in this district is estimated at about $308,000. The expenditures during the time covered by the report were about $350,000, and the balance available July 1 is about $18,000. Special attention is invited to the remarks and suggestions in the report of Captain Leach, to which, with that of assistant Nolly, reference is made for details.

We have through that reach, where there were only 4½ feet of water, a uniform channel 12 feet deep, the work of the Mississippi River Commission.

LAKE PROVIDENCE REACH—220 MILES.

Before this improvement was undertaken the navigation of Lake Providence Reach was poor, the depth in low water being reduced frequently to 5 feet.

The general project consisted in preventing dispersion by closing the chutes and reducing the low-water width to about 3,000 feet by the construction of permeable dikes and the formation of artificial banks by deposit, and the preservation of the natural curves of the river by revetting caving banks. This reach has been improved so that there is now a navigable depth of 15 feet throughout its length.

The greater portion of the work done in this district since October 1, 1884, has been the extension of the revetment in Louisiana Bend (Pilcher's Point), the repair of revetment at Mayersville, and the revetment of Delta Point, Louisiana.

No additional works of contraction were undertaken, operations having been limited to repairs of former work, the construction of three cross-dikes in chutes, and raising the screen work on main lines. The necessity for holding Louisiana Bend and Delta Point has been stated in former reports, but is briefly repeated again on account of their importance.

It was five feet when they began their works and now we have—

a navigable depth of 15 feet throughout its length.

These are the practical results which the commission have achieved with the appropriation already made by Congress. Is it not something that they give double the depth and more than double the depth from Cairo or wherever they have applied their work? The reports show that they have been successful wherever they have made a test of the plan which they have adopted. Not only do the reports show this, but I have here the memorials from the commercial bodies of cities on the Mississippi River, one of which I will read, for they all are of the same tenor:

The undersigned, representing the commercial and industrial interests of the city of New Orleans and the State of Louisiana, are deeply interested in the prosecution of the improvement of the Mississippi as inaugurated under act of June 28, 1879, creating the Mississippi River Commission, and do herein respectfully petition that that body be continued in the full exercise of its powers for the following reasons:

First. Its members are so selected as to guard against the control of local motives and influences.

Second. The surveys and investigations undertaken by them are and will always be necessary for any improvement. They should be continued and completed.

Third. The general principles of improvement adopted by them are in harmony with all investigation, all experience, and the successful works on alluvial rivers.

Fourth. That while the limited appropriations have necessarily localized their work on so great a river, yet whenever work has been done under their plan its correctness has been proved by the results obtained. In evidence, we point to the excellent navigation at and below Horsetail Bar and through the Plum Point and Lake Providence reaches, where low-water depths have been doubled; also to the successful protection of Memphis Harbor.

Fifth. The alleged losses, so far as true, have mainly been where the work was incomplete, and where there was no appropriation to complete and protect them.

We make this petition convinced of the national importance of the work, and with confidence in the commission, its plan, and the results.

There are men engaged in the commerce of the Mississippi Valley, and they testify to the practical results of the plan which has been adopted and bear witness to the statements which have been made.

But I have something even stronger than these reports, namely, the testimony of the captains of steamboats, men who are engaged in commanding the steamboats upon the river. They say:

For years the river through the reaches at Plum Point and Lake Providence has been difficult, dangerous, and almost impossible of navigation at certain seasons except to the lightest class or of partially loaded steamers because of shallow waters, sand-bars, and other obstructions. But now, and as the direct result of the plans of the Mississippi River Commission to improve the navigable condition of those two reaches, fully loaded and the heaviest class of steamers can pass through them at any stage of the water, free from danger or detentions of any kind whatsoever.

Mr. GEORGE. Both reaches?

Mr. GIBSON. Both reaches. We have before us not only the official statements in the reports of the engineers who compose this commission, not only the testimony of commercial bodies in the different cities upon the Mississippi River, men whose commercial relations extend throughout the whole valley, but we have the statements of the captains of steamboats who navigate that river testifying to the results which have been produced by the work and plan of the Mississippi River Commission.

I am reminded that I promised to reply to the criticisms of the honorable Senator from Kansas [Mr. PLUMB] based upon certain anonymous newspaper dispatches declaring that the works at Osceola Chute had given way.

There was some loss in the works at this point when struck by the flood when they were in an incomplete state, but it was soon repaired. In their report, December 19, 1884, page 2541, the commission say:

Of the system of works designed to close Osceola Chute and to hold the two head dikes, Nos. 1 and 2 are in good condition. Behind No. 1 the chute is now dry at 10 feet stage and a growth of willows has started over a large portion of the old river bed. A gap in No. 3 has been closed and general repairs made. This dike is now in good condition.

I have now, Senators, laid before you facts taken from the official reports of the commission, and I feel certain the conclusion has been reached that they justify further appropriations.

It must be borne in mind that though many of the improvements have been made many yet remain, and that the river can not be made fully available until navigation is restored throughout its entire length.

General Gillmore, in a letter addressed to me, dated June 11, 1886, presents this view of the question more forcibly than I can. He says:

It is neither desirable nor expedient that the plan of the commission should be further "tested," as the House bill directs, by the completion of the work on the Plum Point and Lake Providence reaches. The plan has been tested there already with amply successful results; there are 50 per cent. greater-low-water-channel depths now over the stretches of river covered by the works than the commission originally promised to accomplish, and quite enough to insure transportation at the lowest water rates when it shall be extended to the shoals above and below. What is needful there at present is that the works should be repaired and maintained at the stage of most advanced progress reached by them. It is not necessary to deepen the channel to 20 feet to prove that a 10-foot channel is attainable.

It must be admitted, however, that the through navigation of the stream has not as yet received any practical benefit, for the simple reason that the improvement is restricted to localities hemmed in by bad river above and below. Two or three additional reaches of shoals and bars should be attacked with the money that first becomes available, with a view to gradually extending the limits of improved navigation. As we already have a fine plant, fully equipped for service, nearly all the money allotted for works of improvement would be applied directly to them.

OUTLETS VERSUS CONTRACTION.

The honorable Senator from Kansas refers to the many conflicting theories and opinions that prevail as a reason why no further appropriations shall be made. Let us, he says in effect, wait until some plan is proposed upon which all shall agree.

Well, if we wait until that time we shall wait forever.

Macaulay has observed that a man's interest may sometimes lead him even to dispute the law of gravity, and, strange as it may seem, this scheme for the improvement of the Mississippi River is based wholly upon the law of gravity, as I will attempt to show.

There have been but two theories suggested for the treatment of the river—one is the outlet plan first offered by Mr. Charles Ellet, jr., civil engineer, in 1852 (see Executive Document 20, Thirty-second Congress, first session), in an elaborate report to the Secretary of War on the inundations of the Mississippi River, the object of which is to take the water at its flood stages out of the river. The other is the plan of contraction, the object of which is to hold all the water in the river, especially in its flood stages. When analyzed it will be clearly seen that these two plans not only differ from one another, but that they antagonize one another; and if there be any principles in hydraulics they are wholly irreconcilable; if one be founded upon the truth, the other must be founded upon error.

The outlet hypothesis, for it does not rise to the dignity of a theory, has been rejected and condemned by every civil engineer who has ever sought to ascertain a knowledge of the laws which control the river. It was condemned and repudiated by Generals Barnard and Totten—by General Bernard, who died but a few years ago, the senior officer of the engineers of the Army of the United States, and who spent most of his life upon that river. It was rejected by Humphreys and Abbot, who spent ten long years in surveys of the river. It has been again condemned by the Mississippi River Commission, by Captain Eads, and indeed everywhere up and down the Mississippi River by the scientific engineers and by the people who have brought their plain common sense to deal with its phenomena.

Sir, it is contrary to reason and repugnant to every fact that has been elicited by the investigations of the river. What is the problem presented by the Mississippi River between Cairo and the Gulf, a distance of only 600 miles in a direct line, though 1,170 by the river, into which forty-three rivers, navigable by steamboats for 16,000 miles and by bateaux and flat-boats for 50,000, penetrating the valley from the Alleghany Mountains to the Rocky Mountains, bringing down from every city and hamlet and cultivated field and workshop and mountain slope *débris* and waste and sand and *détritus* and emptying them into this basin or trunk line, which has a very slight declivity and slope, millions and millions of cubic feet of sand—the wastage of a continent?

The question is how will you carry these deposits to the sea? If they remain in the channel it is very evident that the channel will be filled up and destroyed, for as it shoals it will widen and as it widens it must shoal, and the reports show that during the periods when the river was neglected and its waters unrestrained it shoaled and widened constantly. When Eads proposed to build his jetties it was held by many eminent engineers that the effect would be merely to transfer the bar further out into the Gulf and that there would be no end to the length of the jetties themselves. Others held that the erosion of the current would undermine the jetties and that they would topple over into the stream. But what has been the result?

The latest reports of engineers made under the orders of the Government show that neither of these consequences has followed, that they stand firm and fixed in the positions in which they were first placed, that the vast deposits have been lifted up and carried into the Gulf, and that not a trace of them remains, while the navigable channel contracted for by the Government has been steadily maintained and preserved.

Investigations made within the last few years have discovered just off the mouth of the Mississippi River a vast basin 2½ miles deep and equal in area to the State of Georgia, a receptacle prepared, as it were, for these deposits of sand that are brought down from the upper country.

Humboldt declared that the configuration of the coast of Texas and Mexico disclosed that there must be a littoral current bearing from the east to the west, and recent investigations have confirmed this prediction of the great scientist. Hence it is we need not give ourselves any concern about what shall become of the *débris* and sand which may be swept by the current of the river into the Gulf of Mexico. There is ample room to receive it and forces to dispose of it.

I suggested at the outset of my remarks that the Government itself contributed directly to increase the amount of sand and *débris* which was emptied into the short basin between Cairo and the mouth of the river by the works undertaken to improve the streams in the upper valley, and that the people who inhabited the upper valley, by the destruction of the forest and the cultivation of the fields, vastly increased the floods and sand poured down into the lower river, and that an interesting question might arise whether there was not an obligation springing from these facts imposed upon the Government to give some protection to the people dwelling upon the l ver river against these extraordinary conditions which have been created either by the action of the Government itself or under its sanction by the people of the highlands. I do not mean to say that the maxims of the law apply to the Government and may be enforced against it, but I do say that there is ground in this view of the matter for the people to appeal on equitable considerations to the Government itself for the speedy improvement of the river.

It must be clear that we can not prevent by legislation the people in the valley from pursuing their lawful avocations nor from draining into the rivers that empty into the Lower Mississippi. We must deal with the results of this vast system of drainage.

But to recur to the question. It is a simple one. How can these vast deposits be removed from the channel of the river? In considering the Mississippi River we must regard it as a river of sand as well as of water.

Now, there are three forces constantly operating upon the Mississippi River upon which the plan of contraction reposes. The main force, as I said a moment ago, is the force of gravity. The fall of the water from the higher to the lower level—that constitutes velocity. The second is the force that checks the current of the water, and that is friction. It diminishes velocity. The third is the relation that exists between velocity and the capacity for transporting the sediment in the river and the amount actually carried along. If these three factors are borne in mind I believe they will enable any one to solve the problem of the improvement of the Mississippi River. We are to depend upon the force of gravity to improve the Mississippi River—in other words, upon its velocity. The greater the velocity the greater its capacity to carry the sand and sediment in it. Wherever the current is checked deposits occur, and wherever the current is quickened a larger amount of sediment is picked up and carried along.

This is apparent to every school-boy who watches the creek in the meadow. Whatever, therefore, multiplies the velocity will increase the force of the river to carry this burden to the sea and whatever increases the friction diminishes the power of the current. The greater the friction the less the velocity. The wider the river the greater the friction and less the velocity, and the more shallow the river will be found in such places.

All general propositions of this kind must be qualified by certain limitations within the bounds of reason. Wherever you find wide places in the Mississippi River, as in the shallow reaches that I have named, which are 10,000 feet wide you will find shallow water and slackest current, and wherever the channel is narrow and the velocity of the current is great you will find not only deep water, but uniformity of width.

I hold in my hand two reports embracing facts established by observations made on different points of the river more than a quarter of a century apart, and though not made for that purpose they verify in a remarkable degree the theory that I have announced. The first may be found in the report of Humphreys and Abbott, made during the floods of 1851 and 1858. I will content myself by referring to the observations made at Columbus, 20 miles below Cairo, and at Carrollton just above New Orleans.

It is shown by the first table that when the river at Columbus was 83 feet above low-water mark an additional rise of 2.1 feet was sufficient to increase the current nearly 1 foot per second, and that the discharge was one-sixth greater. The depth of the river at the time was about 96 feet. Therefore 16 per cent. increase of discharge was obtained with the addition of only one-fortieth part of its depth.

The fifth table which I hold in my hand, taken from the same report, shows that with a difference of only 6.8 feet the discharge of the river at Carrollton was more than double. The river there at its lowest stage was 115 feet deep. Hence there was an increase of only one-seventeenth part of its total depth required to produce this astonishing difference in the discharge of the river. The velocity was at the same time increased 85 per cent. In commenting upon these tables, which are the result of actual observation and careful measurement, Captain Eads says:

> They represent stubborn facts without any theorizing, and they show how absurd are some of the statements made as to the effect of outlets in lowering the floods of the river. For instance, the fifth table shows that when the river (March 19, 1851) was nearly up to the highest water-mark known at Carrollton, it would have required an outlet larger than the Mississippi itself to lower it 6.8 feet. Such outlet would have had to discharge 577,000 cubic feet per second, while the whole river could only discharge 572,000 feet when its surface was 6.8 feet lower.
>
> This enormous quantity of water (577,000 cubic feet per second) would cover a square mile 1 foot deep in about forty-eight seconds. In twenty-four hours it would cover 1,800 miles to the same depth, and in less than a fortnight it would put an average depth of 3 feet over the area as large as the entire State of New Jersey. To lower the river only 2 feet at Carrollton when in flood would require an outlet as big as Red River. This is because such loss of volume lowers the slope and increases the frictional resistance in the main stream below the outlet, and this causes it to flow more slowly and thus prevents that great reduction in its height which the thoughtless would expect.

These observations illustrate in what a wonderful degree a slight elevation of the surface of the river tends to increase its velocity and enables it to carry off the greatest floods.

Now I turn to observations taken by the Mississippi River Commission, and you will see how facts that are remote from one another justify and uphold a theory that is based on truth. I refer now to a report of certain observations made by Maj. C. B. Sutter, a member of the Mississippi River Commission and one of the most accomplished engineers in the service of the Government. In speaking of the effects of an overflow upon the progress of the current Major Sutter says:

> The general effect is one of retardation. My attention was first attracted to the subject in the spring of 1881. * * * We have records of gauges which have been kept up by the Engineer Department of the river since 1871. I got all these records and selected from them the data concerning all well-marked floods or rises. I wanted to get at the law if possible. From these records we were able to trace the progress of each flood from the head of the valley down, and to ascertain its rate of progress from gauge to gauge all platted in. These rates of travel or times of transit from Cairo to each particular gauge were thus platted, and the gauge height reached by the rise at that gauge and the mean curve was computed for that station.
>
> From these curves the mean rate of travel of crests of rises or floods of greater or less degree coming from above may be ascertained.
>
> I have had these diagrams prepared, but I have not got them here. Still I can give you the general results. They show that from low water up to high water there is a gradual increase in the rapidity of transmission of the crests of floods until a certain limit is reached, varying in different localities, which corresponds as nearly as I can find out very nearly with the point where the larger outlets begin to draw off water from the river. At that point the rate of progress begins to show a tendency to slow up. As the river rises the outlet discharge becomes larger and the curve shows a further slackening. Then when the top of the bank is reached, or when a general overflow begins, there is an abrupt change, and from that on I find that as the river rises there is constantly increasing retardation.
>
> To give an illustration in figures I will say that prior to the great flood of last year in November there was a sharp and sudden rise which came out of the Ohio. Its elevation was just about the crests of the banks, about forty feet at Cairo, which was just about within its banks all the way down the river. The crest was perfectly well defined and sharp and well marked so as to be traced from gauge to gauge without difficulty. *That flood passed from Cairo to New Orleans in just ten days.*
>
> The next rise was much higher and produced an overflow. I do not now remember the precise figures, but it was slower in its rate of transmission to New

Orleans and so on with each succeeding rise until finally the highest rise of all *was one hundred days in traveling the same distance.*

The sequence of that is just here—if you have water in any channel like that of a river, flowing off at the lower end as fast as it is supplied at the upper end, you will have no rise of the surface at all. If the channel is obstructed you will have more or less rise depending on the extent of the obstruction. The explanation of this is when a river is within its banks, even in those portions where its condition is the worst, you have a channel which is certainly better for the purpose of discharge than when it extends more or less across the whole valley and a large part of the section is obstructed by trees, bushes, and the thousand and one things which influence the flow of water under these conditions. That being the case, you must have retardation.

It is impossible to expect anything else. The conditions are precisely the same, though varying in degree, as they are between a wide and shallow section where the relative proportion of resistance of frictional surface to area is greatest, and what it is in the case of a narrow and deep section where the relation of area to frictional surface is minimum. When you have an overflow of the valley this frictional resistance is largely increased both absolutely and in its relation to the increased area. The area is not proportionately increased, and consequently you must have retardation of the water.

These observations must carry the conviction to every reflecting mind that the only plan by which the vast accumulations of sand and water precipitated into this trunk line may be borne to the sea is that which will induce the greatest velocity, and that the maximum velocity can be acquired only when the river is confined to its channel at its flood stage. Nor can any one doubt its capacity to discharge the greatest floods by its own channel.

The friction does not increase by the weight of the water as if it were a solid mass. The deeper the current and the greater the volume in proportion to frictional resistance the greater the velocity. Friction is not increased by the depth or weight of the water but by the surface of the bed, by the extension of the channel over the wide spaces in the valley of the Mississippi.

Not only is the velocity greatly increased by the increase of the depth and diminution of the surface with which the water comes in contact, but its power of transporting sediment rapidly increases with the increase of velocity. An increase of 6.8 feet, as was shown by the observation at Carrollton, presents to us the spectacle of a river flowing upon top of another river down an incline plane with an ever increasing momentum, for the friction is very slight—one Mississippi River flowing on top of the other by an elevation of 6.8 feet only above its mean depth. It is estimated that the smallest inclination capable of giving motion to water is the descent of 1 foot in a million, or about one-fifteenth of an inch per mile. A fall of 3 feet per mile makes a mountain torrent. Three inches per mile ordinarily gives a velocity of about 3 miles per hour. The quantity of water and of sand, therefore, that the Mississippi River may discharge depends upon its velocity; and the instrumentalities by which the greatest velocity may be obtained are jetties in the wide places of the river and levees on its banks.

Captain Eads says this power increases with the square of the velocity and diminishes in the same ratio; hence if a shallow shore current move at 2 miles per hour, while the central current moves at five, the shallow water can carry only four units of sediment per unit of volume, while the other will carry twenty-five; hence all silt-bearing rivers have a tendency to deposit sediment in the shallow parts and to take up sediment from the deeper parts of their beds.

He further says:

The theory upon which the jetty system is based is that the shoals, shifting channels, caving banks, and inundations result from these excessively wide parts of the river, and from the escape of its flood waters through lateral outlets and over its banks; and also upon the fact that the greater the volume flowing in one channel of uniform width, the greater will be its excavating or erosive power, and therefore the deeper will be its channel and the lower will be the height of its flood line. The logical remedy for these evils consists in the contraction of the wide places, and in the conservation and concentration of all the flood waters into one single channel of uniform width, by the closure of lateral outlets, the repair of defective levees, and the closure of island chutes.

The grand essential feature of the jetty system consists in bringing the high-water banks to a uniformity of width. The contraction works, costing probably one-fourth as much per mile, do not require to be strong, or kept in repair. Having performed their duty during one flood, the next year's work consists in building other similar structures on the deposits caused by those of the previous year. In some parts of these reaches the deposits caused by these works during the flood of 1883 were over 30 feet deep.

It is a mistake to suppose that when breaches occur through these permeable works the deepening produced in the channel by the parts left uninjured will be lost again if they be not repaired. The tendency of the river, as before stated, is to deepen its deepest channel and to deposit in its shoalest parts. Crevasses through the levees and outlets interrupt this natural process by diverting more or less of its volume into abnormal channels. This interrupts the uniformity of its velocity and a reduction of its volume also takes place. The excavating power of the river depends wholly upon these two, namely, velocity and volume. Therefore its natural tendency to deepen and contract its channel is interrupted and lessened. Keep the whole flood volume within levees, and in forty or fifty years it will assume the desired uniformity of width without other treatment than that of contracting the levees as reclaimable land is made by the river deposits.

These observations all rest when analyzed and weighed upon the doctrine of the force of gravity which alone creates velocity, and they further demonstrate that all the water and sediment may be carried along through the channel of the Mississippi River by invoking the power of the river itself.

To my mind these facts and principles constitute a demonstration clear and conclusive and permit no escape from the proposition that the river is competent to do its own work, to take care of itself, if the skill of man will only aid in directing it.

Mr. President, there is some slight difference, not very great, between a majority of the Mississippi River Commission and Captain Eads. A majority of that commission held that it is necessary to carry on an extensive plan of revetment of the banks of the river, and their reports show that this plan is expensive. They show a loss of 26 per cent. of such work so far. The amendment offered by the Senator from Kansas [Mr. INGALLS] is intended to discourage the execution of this system of revetment, at least until it is seen whether the works of contraction, which are simpler and less expensive, may not, by holding the current in the river, accomplish the desired results of themselves.

I have agreed with the honorable Senator from Kansas because I believe that it is of great importance that a rigid economy should prevail in the plans and methods for the improvement of the Missisippi River, and that not a dollar should be expended which did not bring a good return. It will require but a little time to show whether the dikes and jetties may not answer all the purposes, and that revetments, if necessary at all, may be employed merely to protect the banks at the exposed angles of the contraction works. The amendment will not embarrass the commission, for they are authorized to disregard it if experience should not justify it.

It can not be disguised, Mr. President, that the efficiency of the commission has been impaired by divisions of its councils. There are officers on that commission who, as I am informed, had condemned the plan upon which the jetties were constructed and do not approve its application to the river They have no faith in the plan adopted by the commission for the improvement of the river. They are very far from suggesting outlets, but they submit minority reports condemning the plan which a majority of the commission have adopted. By their influence they have secured compromises by which, in my judgment, the best results have not been secured, and steps that were illogical and inconsistent have frequently been taken.

I do not think that officers ought to be required when any one of them is conscientiously opposed to the plan of the commission to execute the plans which have been adopted and which are contrary to his judgment. Such officers should be relieved from duty on the commission. The logic of the plan of the jetty system or the plan of contraction, as well as the very language of the bill which created the commission, would have constrained the commission to begin its operations at the passes near the mouth of the river and to work up stream. I understand that proposition was defeated by a tie vote in the commission in the absence of Captain Eads. The civilian on the commission defeated a majority of the engineers who were present.

If as the current is confined to the channel the channel be deepened, why necessarily that deepening ought first to be effected in the lower parts of the river so as to increase the velocity not only there but in the middle and upper portions of the river. If the bed of the Mississippi River should be lowered 10 or 15 feet from the mouth of the Red River to the gulf it must be very plain that the surface of the river would be correspondingly lowered and that the velocity of the upper river where these vast reaches prevail would be largely increased. Hence the compromise plan by which the commission began its operations in the middle river at Plumb Point and Lake Providence reaches, while it has produced excellent results, can not be defended as in entire keeping with the principles which have been advocated by the commission itself; that is, by a majority of the commission.

It is shown by the report of the commission that below every one of the crevasses in the lower river accumulations of deposits have taken place which have tended to check and enfeeble the current of the river.

General Gillmore says that there has been a maximum fill of 10.8 feet between the years of 1866 and 1877 covering an area of 2½ square miles in the river below Cubitt's Gap, and that this does not include the fill which took place the first three years after the gap was opened.

Mr. G. W. R. Bayley, one of the most distinguished engineers of the State of Louisiana, says that soundings taken in 1856 at the Bell crevasse, 2 miles above New Orleans, 120 feet was the maximum river depth at that point, but that in 1859 in consequence of the crevasse the maximum depth was only 78 feet.

Mr. Bayley further says:

The mean depth in February, 1859, below both of these crevasses, and before the river had again risen to its ordinary high-water mark, was ascertained to be 42 feet less than in 1856, and beyond question the diminution was caused by the two great outlets of 1858.

Professor Forshey and others made examinations in the great Bonnet Carré crevasse which took place in 1850, which showed that the section of the river below the crevasse had 12 feet less mean depth than the section above.

These facts serve to illustrate the principle that if the velocity of the current and its carrying power and scouring power are increased by contraction they must be necessarily weakened and destroyed by diffusion and dispersion.

That plan, therefore, which will produce the greatest velocity is the true one necessarily for the sure and economic improvement of the Mississippi River, and it must be evident that the maximum velocity may be obtained by beginning the improvement and contraction at the mouth of the river and working up stream rather than by beginning operations in the middle of the river, the effect and tendency of which must be to check the current in the lower river and raise its surface and its bed.

But in the main the results which have been obtained by the com-

mission justify its existence and show that the plan of contraction, however applied and wherever applied, is the only one by which the phenomena of the Mississippi River may be made subservient and useful to man. I do not mean to say that the commission have not met with losses in the execution of their plans. It was novel and difficult to them, and at the outset experimental as to details.

But the plan itself is as old as hydraulic engineering. All the important rivers of Europe have been treated on the plan adopted by the Mississippi River Commission for the treatment of the Mississippi River. I was traveling on the Rhine some years ago and saw the effects of this plan of contraction, which was adopted in the last century, and I borrowed the idea of a river commission from a commission which was charged with the improvement of the Rhine, and I have been gratified to observe that the plans are about the same, or at all events founded on the same principles.

By shortening and contracting the channel of the Rhine the Rhine commission have not only improved its navigation and secured deep water where the river was shallow before this process was applied, but they have recovered vast tracts of country that before were given over to the inundations of the river. They have made Cologne almost a seaport, just as Cairo and Saint Louis will be made seaports in the course of time. The French Government has expended upon the river Rhone, between Lyons and Marseilles, a distance of not more than 150 miles, three times as much as we have voted for the improvement of the Father of Waters, and the plan adopted by the French engineers for the improvement of the Rhone is the plan of contraction.

Mr. EDMUNDS. With what results?

Mr. GIBSON. The results are admirable. I have been over it, if the Senator will pardon the personality. I have conversed with the engineers who are engaged on these works. I can bear personal testimony to their success.

Mr. EDMUNDS. Has not the mouth closed?

Mr. GIBSON. I was not speaking of the mouth of the river but of the river itself. The mouth of that river is a very difficult one, and I do not think the jetties have been applied to it, but they have been applied to the mouth of the Danube with remarkable success. By the same plan the Clyde has been converted into a navigable, noble river, the seat of the best ship-yards in the world, and the Victorian embankments on the Thames have produced the best results. So that the plan proposed by the Mississippi River Commission is not a new plan, though the conditions of course vary somewhat from those that prevail in Europe.

Mr. President, perhaps I ought, in conclusion, to make a passing reference at all events to what is called the outlet system, which appears to find favor in the mind of some Senators.

It is very natural that persons who do not live upon sedimentary streams should look upon the outlet system as the correct one. Senators who reside in the upland country upon clear-water courses as a matter of course would say in seasons of flood the way to deal with the water is apparent, it would be to get rid of it by an outlet; but on a stream like the Mississippi where we are not subject to freshets but to vast accumulations of water for many months in the year, when you let the water out you let the force out, and the sand and *détritus* remain in to fill up the channel.

I do not know of a single engineer who does not unite with General Gillmore in condemnation of the outlet system as applied to the Mississippi River. It is not heard of in the valley of the Mississippi, but it comes to us from a distance, and, so far as I know, is commended only by persons who imagine that it would serve their private purposes by filling up swamp lands where the crevasse or outlet might be made. A crevasse below the city of New Orleans at Lake Borgne would inflict a loss upon the people of that community of not less than $50,000,000.

If you will take away for a few days only the guards who stand watching the levees for three or four months every year when the river is full to prevent a crevasse or outlet you would find that a crawfish would make one without expense to the National Government in that time.

When a crevasse threatens at a particular point in the neighborhood everybody, old and young, will rush to the rescue just as you would to a fire in the town in which you live.

I served once as levee commissioner on the banks of the Mississippi River with General Richard Taylor as my colleague and obtained some practical knowledge of this thing; and I believe to-day if an attempt were made by anybody to cut the banks of this river and let in the floods upon the people it would require an armed force to prevent them from rising *en masse* and inflicting punishment upon the authors of such a calamity. That is the practical view the people take of it.

I know that a great many good men imagine that the people in the Mississippi Valley and the Senators and Representatives in Congress who are sent here to speak and work for them do not know what is best for themselves. I do not pretend to say that we all may not be mistaken, but my observations in life, wherever I have wandered, have taught me that the judgment of the people of the place where I happened to be on any particular matter concerning their personal and social welfare was the best judgment that could be brought to bear upon the solution of any practical problem concerning their own comfort and happiness.

I do not believe that the people of the Mississippi Valley constitute any exception to this rule. From the time that valley was first settled by chivalric Frenchmen, followed by the adventurous Spaniard, and after them by Americans, as they are called, that community put forth its best efforts to restrain and keep the river in its channel from its mouth as high up as Baton Rouge and Red River.

The coast, as we call it, was first settled. The land has been cultivated like a garden for more than a hundred years, and it is one of the most beautiful countries upon which the sun shines. The levees along the plantations and homes that border on this part of the river were made substantial and strong and it is rare that a crevasse has occurred upon them.

Behind them was large wealth, a cultivated and enlightened population. What has been the result, Senators? Why, the engineers declare that the river from its mouth to Baton Rouge is an ideal river and it has become an ideal river because the waters were kept by these restraining walls in the channel so that no vast reaches have been formed there and no great sand-bars, but the navigation has been preserved.

But go above Baton Rouge and above Red River, where there was a sparsely settled community of cotton planters who began the levee system after 1840, and what do you find? There it is that the obstacles to navigation exist, and there it is that the rise and fall of the river is three or four times as great as in the lower river where the bed has been sunk by the scouring force of the river, preserved by the dikes upon its banks. You could have no better illustration of the effects of the plan of contraction than by comparing the lower river where that plan has been more or less kept up with the middle river where it has not been fully applied and has not been preserved.

But in order to achieve the best results it is necessary if there be any truth in the theory of contraction that the work to induce the maximum velocity should be begun at the mouth of the river and that the line should be made continuous and complete throughout the alluvial region. I do not believe that it would require very large or expensive works if they were made continuous. An unbroken thin line is more effective than the most powerful works consisting of detachments separated from one another. The momentum once acquired should never be lessened by a gap or outlet, but steadily and constantly increased by inclining the plane and fall without interruption.

I have already referred to the fact that examinations have established the truth that wherever there is a crevasse there is a deposit below it and that whenever a crevasse is closed the deposit is removed by increased scouring force of the river, so that I will not delay longer upon what is called the outlet system.

I have endeavored to place before the Senate in a plain and business-like way the reasons which led to the formation of the commission for the improvement of the Mississippi River, how the idea originated in the successful application of the jetties at the mouth of the river.

I have endeavored to show what the obstacles to navigation were in the bed of the river throughout its entire length, how the commission which was created have sought to remove these obstacles and how far they have been successful. I have attempted to show that the appropriations have not been misapplied, that they have not been expended by the commission at all, that they do not handle a dollar of the money, but that they have been expended under the direction of the Secretary of War through the Engineer Corps of the Army. I have endeavored also in a desultory way to explain the principles upon which this plan of contraction rests, and how, if properly and legitimately applied, it is fully capable of disposing easily of all the water and all the sand and the *débris* brought down from the immense valley into this basin from Cairo to the Gulf, which bears the same relation to the 50,000 miles of streams tributary to it that the pass in which the jetties were placed does to the lower river.

Interstate Commerce.

SPEECH

OF

HON. CHARLES S. BAKER,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 21, 1886,

On the bill (S. 1532) to regulate commerce.

Mr. BAKER said:

Mr. SPEAKER: Not with any antagonism to railroad corporations should we approach the subject of governmental supervision of that class of common carriers, but rather as the friends and conservators of the public welfare—of the great commercial interests and prosperity of the whole country. We are in duty bound to bring to the consideration of this most important subject our best and maturest judgment. I hold

that he is the best friend of railroad corporations who stands squarest by the rights and interests of the public.

It has been well said that the corporation "has become the all-important factor in the social arrangement of modern civilization." With the growth of the present system of railway transportation in our country there have crept in so many abuses—such disregard of chartered duties and obligations—that within a dozen years past many of the States have, through their Legislatures, asserted their constitutional right to exercise a voice in the supervision of common carriers, to the end that the public should be protected against the evils and injustices which are so apt to creep in where large powers are exercised under corporate management.

In many of the States there already exist boards of railroad commissioners charged, as a rule, with supervisory or advisory powers concerning common carriers, representing in their organization public sentiment and the law, clothed with power to investigate abuses, to let light into dark places, an ever-present agency, prepared to arbitrate between railway carriers and their patrons—the public.

The constitutional right of the States and of Congress to deal with these questions is no longer doubted.

The proposition so ably advocated by the distinguished chairman of the Committee on Commerce is to my mind of that character which may be denominated inflexible legislation. It would deny to common carriers that reasonable elasticity of judgment common to all other corporations and most essential to prompt transportation conclusions, because, as has been well stated, transportation deals more or less directly with the interests of most business men.

The existence of the evils hitherto sought to be remedied by State legislation, and now by Congressional enactment, is notorious. They have been proven before investigating committees raised by and acting under the authority of State Legislatures, and most recently before the Committee on Commerce of the Senate of the United States, which submitted an elaborate report (No. 46) to that body in January last, accompanied with a bill, which, as passed by that body May 14, is before us as S. 1532, and embodies their recommendations to this Congress.

Of the existence of the abuses which have grown up under our present railway management, I need only to cite the evidence of two eminent witnesses, themselves distinguished railway managers both theoretically and practically. The first, Mr. Adams, in a discussion before the committee of Congress several years ago, said:

So far as the railroad system and the railroad business of the country is concerned I propose to argue to this committee, and endeavor to convince it, that hitherto in the case of the vast body of legislation enacted in respect to them no attempt whatever has been made to study anything except outward manifestations; that almost uniformly the symptoms have been mistaken for the disease, and the remedies intended to remove the evil have consequently only tended to aggravate it. That I may have any chance of success in this effort I must ask you to dismiss all preconceptions from your minds and to fairly consider what is the real cause of the inequalities, the injustices, the discriminations of the existing railroad service—those ills of the body-politic for which you are now undertaking to prescribe. I will not stop to dwell upon them or to denounce them. It is not necessary to do so, for I hold them to be proven and their existence notorious. The record is full of evidence on the subject.

We all know, every one knows, that discriminations in railroad treatment and charges do exist between individuals and between places. We all know that railroad tariffs fluctuate widely, not only in different years, but in different seasons of the same year. We know that certain large business firms—the leviathans of modern trade—can and do dictate their own terms between rival corporations, while the small concern must accept the best terms it can get. It is beyond dispute that business is carried hither and thither, to this point, away from that point, and through the other point, not because it would naturally go to, away from, or through those points, but because rates are made on an artificial basis and to serve ulterior ends. In regard to these things I consider the existing system nearly as bad as any system can be.

Studying its operations, as I have, long and patiently, I am ready to repeat now what I have repeatedly said before—that the most surprising thing about it to me is that the business community sustains itself under such conditions. The first principles of law governing common carriers are habitually violated. Special contracts covering long periods of time, are made every day with heavy shippers, under which the common carrier, whose first duty it is to serve all equally, gives to certain parties a practical control of the markets. There is thus neither equality nor system, law nor equity in the matter of railroad charges. A complete change in this respect is a condition precedent to any just and equitable system of railroad transportation.

The same gentleman on another occasion has said upon this subject:

Each road or combination of roads is now a law unto itself. It may work in concert with other roads or combinations, or it may refuse to do so. It may make rates to one place, where it may think for interest that business should go, and may refuse to make them to another place where it is for its interest that it should not go.

All this is essentially wrong. Yet the business community of America, from one end of the country to the other, has been from the beginning so thoroughly accustomed to the extreme instabilities of railroad competition that it has wholly lost sight of what its own interest requires.

What it needs is certainty, a stable economy in transportation, something that can be reckoned on in all business calculations, a fixed quantity in the problem. This, of all results the most desirable, is now even looked upon with apprehension. There is an idea, the result of long habit, in the public mind that so far as transportation is concerned prosperity is to be secured through a succession of temporary local advantages and unending cutting of rates. The idea of a great system of internal transportation at once reasonable, equitable, and certain, permitting traffic to flow and interchanges to be made just how and where the interest of buyer and seller dictate, never discriminating, rarely and then only slowly fluctuating—this is a conception very far removed from the reality, and it may well be doubted whether it even now commends itself when stated to the average man of business. He clings, on the contrary, to the burden of inequalities to which he is accustomed, and is inclined to doubt whether he could live without them. It is as if a mariner had become so habituated to a constant succession of squalls and simooms that he questioned whether it would be possible to satisfactorily navigate a ship in trade winds, especially if the trade winds blew for all.

The second witness I quote, Mr. Fink, of still more experience and knowledge in railway affairs, has said:

The practice of making special contracts with some shippers, the larger shippers generally, at lower than regular rates, and charging the regular rates to all other shippers, constitutes one of the most unjust discriminations. It is practiced to a great extent. The rate of transportation between two points should be the same to all shippers. There is no ground for discriminating in favor of the large shipper. * * * Any discrimination made in his favor is entirely arbitrary. * * * There is no rule, no principle, on which it can be established or defended. All arbitrary discrimination works injustice to others. A common carrier has no right to make itself a party to such transactions. Moreover it is not to its advantage to do so. This policy of discrimination prevents the employment of small capital and prevents the building up by slow degrees the industries of the country. Only large capitalists can afford to carry on business, and they are not always to be found. From small beginnings, if properly fostered, large enterprises are built up. The larger manufacturers enjoy already sufficient advantages over the smaller. Being able to produce cheaper, they do not require the aid of railroad companies to still further discriminate in their favor.

The experience of every State thus far has demonstrated that inflexible legislation will not work a cure of the existing evils. It must be remembered that the problem of transportation is an unsolved one, and from its very nature must ever remain so. Each generation must determine for itself. The constantly shifting conditions which surround it, the ever-changing elements that enter into it, the continual offerings which genius contributes to cheapen and facilitate transportation, present an ever-shifting phase to this kaleidoscopic question, calling for an ever-varying solution. The telegraph, the steel rail, the improved motor, the Atlantic cable, and kindred causes have revolutionized and are continually revolutionizing commerce. The tariff of a dozen years ago seems extortion in the light of present charges.

The bill urged by the honorable gentleman from Texas is simply declaratory and penal, while experience has abundantly demonstrated that an administrative measure—a power representing at once public sentiment and the law, has in every State and country where created proven far more efficient in the prevention of unjust discriminations and in securing due regard for existing common-law obligations.

In discussing this proposition, or one of similar character, Mr. Adams well stated:

It is declaratory of the law and it is penal, but how is it to be put into execution?

Like any other law, you answer, by parties sustaining injury, through the courts of justice. I respectfully submit that the answer is a practical begging of the whole question. The parties in this case are not equal before the court. In wealth, in organization, in power of injury, in power of obstruction, in power of terrorism; if you please to say so, one is infinitely greater than the other. The thing speaks for itself. It is mere waste of time to argue it. In the hands of the railroad companies the law's delay alone is an advantage equivalent to the mastery of the situation.

A bill declaratory and penal in its character is, therefore, defective in that it fails, and fatally fails, to meet the existing exigency. It is giving a stone in answer to a cry for bread. More than this, it is defective also that it transposes the natural order of things. Entering upon a new and wholly untrodden field of legislation, it undertakes to declare principles and to impose penalties, not only in advance of any thorough and systematic investigation of abuses, but without providing any machinery at all for their investigation hereafter. Everything is referred to a committee of the whole people—a sort of town meeting, forty millions strong. It is for this reason I submit that any bill you pass, to be really effective in immediate working and fruitful of future results, should be administrative rather than declaratory and penal. Indeed, so far as railroad corporations are concerned, I can not say that I regard your merely declaratory statutes, no matter how penal you make them, as of any considerable moment.

Practically they are mere harmless thunder. What is needed, in my opinion, is something of a very different character; it is thorough, immediate, searching investigation, throwing the keen light of publicity into the secret places of railroad management. It is there the abuses lurk, and they do not love the day. Indeed, when they are dragged into the day they speedily die.

I believe the ultimate solution of the railroad problem must come through a federation of the railroad system, supplemented by an administrative measure.

It is based upon a thorough study of the subject, and relies on investigation and publicity rather than upon a continued wrangling in the courts. The necessary penal legislation—and on this point I would not be mistaken, I think penal legislation will be necessary—should follow and not precede legislation. The concrete cases should first arise and be made the subject not of slow and profitless litigation, but of swift inquiry on the spot; and from these concrete cases the body of general legislation should gradually be developed. A governmental machinery would thus by degrees be built up corresponding to and competent to cope with that federation of the railroads which is to check the process of consolidation and preserve the essential principle of competition.

On the one side we would have the federation rendering all the members of the system amenable to control, while over against this organization, confronting it, would be the Government tribunal representing the community, public opinion and the law. This is almost the precise result which was arrived at in Great Britain in 1873; and since then the chief cause of complaint in Parliament has been, that there were not a sufficient number of complaints preferred against the railroads to keep the commissioners reasonably occupied.

These considerations, Mr. Speaker, lead me to oppose the proposition of my friend from Texas, and to urge in lieu thereof the creation of an interstate-commerce commission, charged with the powers and duties as provided in the Senate bill recently passed. I desire moreover to suggest some amendments. I would advise an amendment thereof so as to constitute the board of nine instead of five members. The vast interests with which the board will be called to deal can hardly receive due consideration by less than nine men, and they should be men of no ordinary mold. In section 10, page 12, between lines 26 and 27, I would insert the following:

Said commission may in like manner investigate any differences, disagreements, controversies, or disputes that may at any time exist or arise between any railroad company or corporation and the employés thereof, and in case of any differences or disagreements involving the hours of, or the compensation for, labor by the employés of any railroad company or corporation, said com-

mission shall immediately upon receipt by them, from a duly recognized representative of such employés of any such railroad corporation or company, of a statement in writing of the differences existing and of the demands or requests made, proceed to investigate and determine the same, exercising therefor all the powers conferred by section 9 of this act, and the decision or award of such commission shall relate back to the date when such differences arose: *Provided*, Such employés shall not pending such investigation, by striking or otherwise, prevent the usual operation of such railroad and the prosecution of the business thereof as fully and freely as if no differences existed.

In my judgment the interests of the people, through whose patronage has come, and must continue to come, all the prosperity of the great and growing railway interests of the country, demand the enactment of a measure embodying the powers proposed to be created by this bill. More than that, the best and highest interests of common carriers demand legislation which, while rigidly guarding the welfare of those who are while carrying on the business of the country compelled to employ the services of railways, shall at the same time tend to promote their welfare and prosperity.

These corporations represent great aggregations of capital; they, like the money represented by them, are but the fruits of labor.

We say of the railways of our country—now more than 125,000 miles in the aggregate—they represent so many billions of dollars. True, but all those billions are merely consolidated labor; and if they are to be further employed in the service of man must be supplemented by other labor. If, therefore, by ill-considered, unwise enactments we cripple the free employment of all this aggregate capital, do we not at the same time strike a deadly blow at labor? We point with just pride to the growth and prosperity of our country. We see that labor has spanned the continent with highways of steel, and as the States have become populous and great we recognize the fact that railways, more than anything else, have contributed to such greatness. Indeed, our first resources, all the gifts of humanity, are the conquests of labor; and nothing is truer than that commerce and industry, capital and labor perform a single and similar function despite their different tools and processes.

If, therefore, we legislate in the best interests of the producer we are fostering the highest welfare of capital itself. If by our act we enhance the security, prosperity, and usefulness of the transporting companies of the country and of the capital employed, it is plain that we subserve the welfare of that class without whose aid the Representatives on this floor from the golden shores of California would have experienced a tiresome journey indeed when transporting themselves from their homes to these Halls. The timidity of capital is proverbial. To be profitably employed it owes to labor profitable employment also. Wise legislation is such as while conserving the interests of one will promote and secure justice to the other.

These objects can not be secured through inflexible legislation, whether affecting common carriers or their patrons. That legislation is necessary, that it is demanded, is no longer an open question.

The grange legislation in the West some years ago was to my mind of the character proposed by my friend from Texas. That was repealed and superseded by an administrative supervisory power, such as is now proposed by the Cullom bill. Under this we may confidently calculate upon an intelligent investigation of the whole great problem as now confronting us.

The proposition to invest the board with the power and duty to investigate, arbitrate, and make award in cases of differences between railway companies and the employés is in some respects new. Its trial will involve no expense to Government or subjects. The disinterested agency most likely of all to be prepared at a moment's notice to consider cases and differences of the character mentioned, and which is likely at all times to be familiar with the conditions and circumstances surrounding common carriers and those whose labor keep the wheels of commerce in motion, it seems to me will always exist in a well-constituted board of interstate-commerce commissioners.

I believe such a provision would go far to reconcile the differences and avoid the dangers of the past. Nothing can be conceived more cruel than a general labor strike. It stops the wheels of commerce. It is a war carried on by suspended labor at its own expense and at the cost of the families of the laborer.

When justified by the facts and circumstances it is a wrong the responsibility whereof rests upon the employer in refusing to labor its fair remuneration. The amendment proposed by me does nothing more than afford an immediate and disinterested means of arbitration without cost to either party and holds out a most persuasive inducement against strikes.

I am asked, where is the power to enforce the award in such cases? My reply is, the highest court in the land. It is always in session, and its decrees are more binding than any statute—public sentiment.

This court, if we consider a moment, renders many statutes mere dead letters, and is potent for the enforcement of its edicts always. Through the agency proposed public sentiment is concentrated upon a given case, and a railway corporation, if adjudged to be in the wrong in a controversy involving, if you please, the hours of, and compensation for, labor, would hardly dare bid defiance to a decree or award so made and so disregard public sentiment, for if it did then a strike could be made which would be justified in advance and merit the moral support of every fair man in the whole land.

The Navy.

SPEECH

OF

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, June 18, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 8975) making appropriations for the naval service for the fiscal year ending June 30, 1887, and for other purposes—

Mr. WHEELER said:

Mr. CHAIRMAN: I fully concur with the gentleman from Rhode Island [Mr. SPOONER] that something more than sentiment should actuate us in considering the naval question.

I also desire to say that the first duty of Congress is to extricate the question from the domain of political controversy, and, for one, I intend to vote for building up our Navy; and we now have an administration which the country feels confident will do it with that honesty of purpose which will attain the desired result.

In 1865 the Navy of the United States was superior, in many respects, to that of any other country, not excluding that of Great Britain.

We had built iron ships which were looked upon with amazement by the naval architects of Europe; and it appeared to a confiding people that the United States was prepared to assert and maintain its supremacy in the open sea, and that the Stars and Stripes floating to the breeze would command the respect due to so great and powerful a Republic.

From the early days of this Government up to 1865 the Navy of the United States was equal to any exigency. Our own people were confident in its strength, and it was respected by all nations.

Its efficiency was not due to any extravagant expenditure.

WHAT OUR NAVY HAS COST.

From 1789 to 1861, a period of seventy-two years, we expended on our Navy $360,042,169, an annual average of only $5,000,585. During the four years of war there was expended $314,223,986, an annual average of $78,555,996, and during the twenty years of peace, commencing with the year ending June 30, 1866, there has been expended $417,779,965, an annual average of $20,888,998.

The question is not what has been done with this vast sum. It is enough for us to know that it has not been judiciously expended. If during these twenty years we had used one-fourth of our annual expenditure for the construction of first-class ships and armaments we would now have an effective navy, fully adequate to all the requirements of our position, and it behooves us to adopt without delay a new and wise policy.

DANGER OF DELAYS.

I think it may be worth considering in this connection if the very wisest policy for a country anxious to remain at peace with all the world is not to be ready at any time to go to war with any power.

I am aware that some gentlemen entertain the idea that it will be time enough to engage in preparations for an armed conflict when, by some means, we shall have become embroiled with a foreign government. In my humble judgment it will be most unwise for us to pursue any such policy. I am firmly convinced that perfect readiness for war is the surest means of maintaining peace.

History is filled with illustrations of the truth of this proposition.

Any of us may readily conceive how it might happen that, being wholly unprepared for war, we would be plunged into hostilities that mere readiness for the contest would have avoided.

Should differences arise with England (or any other power), the mere fact of our engaging in unusual and hurried preparations for war would be immediately followed by similar preparations on the part of our possible opponent. This would inevitably engender bad blood, stimulate ill-feeling, and intensify antagonisms to such a degree that all pre-existing spirit of conciliation or concession on either side would probably be swallowed up in the sentiment of national pride, jealousy, and passion, and a contest would be precipitated which diplomacy might have avoided had not the necessity of preparing for war rendered peace impossible.

I insist, Mr. Chairman, the way to preserve peace is to be ready for war.

ECONOMICAL SHIP-BUILDING.

Those who have been accustomed to read of the hundreds of millions of dollars expended upon a navy, would be surprised to learn at what a comparatively small outlay first-class iron men-of-war can now be constructed.

The superior and cheap iron now being developed within easy access of the Gulf coast will, of itself, enable us to construct iron vessels on the Gulf at about one-half the amount heretofore paid for such ships. Another important feature of economy in the construction of such vessels is the fact that the temperature on the Gulf is such that iron ships

can be constructed in navy-yards on the Gulf at all seasons of the year, while in the colder climate where iron vessels have heretofore been constructed, much time is lost and additional expense incurred in localities which are subject to great changes of temperature.

When vessels were built of wood they were very properly constructed at points near where the timber grew, and Maine, on account of its vast forests, became the great ship-building State of the Union. Now that iron has become the material of which ships are built, a due regard for economy requires that such vessels should be constructed as nearly as possible to the great iron beds where that metal is most abundant and least expensive.

This is a proposition which can not be questioned, and therefore no gift of prophecy is required to foresee that within a comparatively few years the gulf ports must become the center of the bulk of our ship-building industry. Not only can iron be obtained here more cheaply than elsewhere, but, singularly and significantly enough, these ports are surrounded by the very timber which for years past has furnished a very considerable portion of the masts and spars for the ship-builders of all the world.

OUR INFERIORITY AS A NAVAL POWER.

The great bulk of our expenditure for the last twenty years has been for the maintenance of the Navy and for repairs of old ships.

I find that since the war we have expended for repairs of vessels and machinery and equipments $43,385,598, while less than $40,000,000 has been expended in constructing new vessels. The amount spent since 1886 is stated by Secretary Whitney, on page 33 of his report to Congress:

The country has expended since July 1, 1868—more than three years subsequent to the close of the late civil war—over seventy-five millions of money on the construction, repair, equipment, and ordnance of vessels, which sum, with a very slight exception, has been substantially thrown away, the exception being a few ships now in process of construction. I do not overlook the sloops constructed in 1874 and costing three or four millions of dollars, and to avoid discussion they may be excepted also. The fact still remains that for about seventy of the seventy-five millions of dollars which have been expended by the Department for the creation of a navy we have practically nothing to show.

It is not necessary for us to discuss what navy we have. The Admiral of the Navy, in his last report, says:

At the present time we have literally nothing in commission but so-called "vessels of war" that can scarcely perform the duties of a peace establishment, and in case of a conflict with any naval power the aforesaid war vessels would have to go into r tirement until peace was declared, the largest of them having neither speed nor battery that would enable her to contend successfully against a two-gun modern French or English gunboat.

This matter was clearly stated by the Secretary of the Navy in his annual report to Congress. He said:

At the present moment it must be conceded that we have nothing which deserves to be called a navy.

And as proof that this lamentable condition of our Navy was not a recent discovery, Secretary Whitney says:

The highest official authority in our service said in 1876:
"There is no navy in the world that is not in advance of us with regard to ships and guns, and I, in common with the older officers of the service, feel an anxiety on the subject which can only be appreciated by those who have to command fleets and take them into battle."
And so recently as 1883 the same distinguished authority stated that it was universally admitted that "we have no navy, either for offense or defense."

And after commenting upon the money which has been spent, the Secretary further says on page 33 of his report:

It is questionable whether we have a single naval vessel finished and afloat at the present time that could be trusted to encounter the ships of any important power—a single vessel that has either the necessary armor for protection, speed for escape, or weapons for defense. This is no secret; the fa t has been repeatedly commented upon in Congress by the leading members of both parties, confessed by our highest naval authorities, and deprecated by all.

Secretary Chandler, in his report of 1882, said:

It is not the policy of the United States Government to maintain a large navy, but its reputation, honor, and prosperity require that such naval vessels as it possesses should be the best which human ingenuity can devise and modern artificers can construct. Our present vessels are not such, and can not be made such.

A year previous, Secretary Hunt, in his annual report, in referring to the Navy, used language which I will read:

Emergencies may at any moment arise which would render its aid indispensable to the protection of the lives and property of our citizens abroad and at home, and even to our existence as a nation.
We have been unable to make such an appropriate display of our naval power abroad as will cause us to be respected.

SPECIFIC DANGERS SHOULD BE CONSIDERED.

While the reports of our Secretaries of the Navy for many years past have clearly and conclusively demonstrated the inefficiency and inadequacy of our naval establishment, it seems to me they have not pointed out the specific dangers to which we are exposed by our absolute helplessness against hostile vessels provided with all the improvements in means of offense and defense which are the distinguishing features of modern maritime warfare. Our want of ships, the humiliating inferiority of our armaments as compared with those possessed by nearly every other power on earth, have been eloquently and forcibly dwelt upon. But this has been done in general terms, and the result of this absence of detailed and definite information as to our defenseless condition has been to create on the public mind the idea that while we ought to have a better and more efficient Navy, yet our not having it exposes us to dangers so shadowy, vague, and undefined that by many they are regarded as non-existent and consequently there has been no such earnest, imperative demand for the best vessels and the most powerful armaments as would have followed a just appreciation of the humiliation, disgrace, and pecuniary loss to which we are exposed.

And it is but natural that this should have been so. Americans are a proud, self-reliant people, more prone to overconfidence than to even a reasonable distrust of their power to grapple with and overcome any difficulty or danger, and therefore they are slow to take alarm, especially when the danger is so vague and undefined that it is regarded merely as a threatening possibility.

But courageous and self-reliant as they are Americans are neither reckless nor fool-hardy, and while they may be constitutionally and habitually indifferent to dangers to which their attention is invited in general terms, if we can only make it clear to their understandings that the peril is positive and specific they can safely be relied upon to take prompt and effective measures for their protection.

I may be in error in my estimate of this trait in the character of our people, but, right or wrong, that is my opinion at this time. I have therefore regretted to observe that in the able discussions upon this bill, as well as in the reports of our Secretaries, there has been too much adherence to generalities and too little definite and specific presentation of the evils which our defenseless condition is hourly inviting.

A great deal has been said, Mr. Chairman, that has been interesting and instructive. The able and eloquent advocates of the theory that we should have and must have an efficient navy have illustrated and enforced their arguments in a manner which is very convincing. I shall therefore only briefly allude to some points which have not been considered in the discussion. Before doing so I wish to premise that all the facts I state regarding the condition of our defenses are thoroughly known to all the European governments, and are matters of the most detailed record in their archives.

FOREIGN NAVIES.

To make the point I desire to present perfectly clear to the comprehension of every one, it is necessary we should have specific and accurate knowledge of the naval strength which could be brought against us in the case of war. For this purpose I have prepared a table to which I now ask attention.

Naval strength and annual expenditure of different countries.

Nations.	Total ships.	Available ships.	Total personnel.	Annual expenditure.	Population.
Great Britain	388	336	58,000	$56,928,850	35,246,633
France	436	308	67,636	46,884,161	37,405,290
Russia	197	185	28,400	25,326,000	98,356,100
United States	89	68	11,300	16,021,080	60,000,000
Italy	76	60	12,032	11,529,710	28,452,630
Germany	99	96	13,000	9,802,880	45,194,172
Spain	145	142	21,700	7,466,538	16,625,860
Brazil	34	34	5,800	6,100,000	10,108,291
Austria-Hungary	49	44	9,800	5,369,295	37,741,413
Holland	138	138	10,500	5,032,450	1,400,000
China	49	49	.....	5,000,000	431,626,000
Chili	10	10	1,600	4,359,893	2,400,396
Turkey	100	100	40,400	4,000,000	25,036,480
Denmark	59	59	1,300	3,081,892	2,096,400
Argentine Republic	25	25	1,500	2,915,000	2,400,000
Japan	31	29	7,000	2,103,630	36,700,118
Portugal	26	26	3,500	1,918,789	4,550,699
Sweden	58	57	4,000	1,448,064	4,465,668
Greece	25	25	3,450	885,635	1,979,423
Norway	32	32	1,000	470,000	1,806,900
Roumania	10	10	700	123,000	5,376,000
Mexico	5	5	720	.....	9,389,461

This table gives only a very imperfect idea of our relative naval strength as it will be observed that the Navy Department has, for many years past, called the attention of Congress to the inferiority of the few vessels which we have.

NAVAL ARMAMENTS.

But another great difficulty is the inferiority of our armaments. We have relied mainly upon the old smoth-bore guns. The largest throw a projectile weighing 450 pounds a distance of from 2,000 to 3,000 yards.

We have just completed two 8-inch breech-loading guns which will throw a projectile weighing 250 pounds a distance of nearly 8 statute miles, and six more similar guns are being constructed. Two 10-inch guns to carry projectiles weighing 500 pounds, and one 10½-inch gun the projectile of which will weigh 550 pounds, are now being constructed. The range of these guns will be about the same as that of the 8-inch gun.

But even with these improved guns we are very far behind other nations. There are now mounted upon vessels of foreign navies one hundred and twenty-nine guns which will throw a projectile 10 miles and upward. The caliber of these guns varies from 12 inches to 17 inches, and they throw projectiles which weigh as high as 2,000 pounds. There

are also afloat, in foreign navies, sixty-six guns which throw projectiles weighing from 900 to 1,250 pounds a distance of at least 9 miles.

The charge for the largest named gun is nearly 1,000 pounds of powder, and the projectile is charged with 83 pounds of powder to explode this huge mass of metal at any given moment. Each of these guns can be discharged every ten to fifteen minutes.

I will now read a table, compiled from official reports, showing the vessels which carry guns such as I have described. The reports from which the table is prepared are based upon data more than a year old. From these reports it appeared that some of the guns were shortly to be afloat, and it is believed that all, or nearly all, are now in actual service.

GUNS AFLOAT RANGING POSSIBLY TEN MILES OR UPWARD.

Nation.	Ship.	Maximum armor.	Draught.	Guns.	Caliber.
		Inches.	*Ft. in.*	*No.*	*Inches.*
England	Conqueror	12	24 0	2	12
	Colossus	18	26 3	4	12
	Edinburgh	18	26 3	4	12
	Collingwood	18	26 3	4	12
	Rodney	18	25 3	4	13.5
	Benbow	18	27 0	2	17
	Camperdown	18	27 3	4	13.5
	Howe	18	27 3	4	13.5
	Anson	18	27 3	4	13.5
	Hero	12	24 0	2	12
	Renown	18	27 3	2	16.25
	Sanspareil	18	27 3	2	16.25
France	Amiral Duperré	21.6	26 9	4	13.4
	Dévastation	15	24 11	2	10.6
	Foudroyant	15	24 11	4	13.4
	Terrible	19	24 7	2	16.5
	Tonnant	17½	16 9	2	13.4
	Vengeur	13½	16 9	2	13.4
	Am. Baudin	21½	26 0	3	16.5
	Formidable	21½	26 0	3	16.5
	Furieux	19½	21 7	2	13.4
	Indomptable	19½	24 7	2	16.5
	Caiman	19½	24 7	2	16.5
	Requin	19½	24 7	2	16.5
	Marceau	17½	27 3	2	13.4
	Hoche	17½	27 3	2	13.4
	Magenta	17½	27 3	2	10.6
	Neptune	17½	27 3	3	13.5
	Brennus	17½	26 8	4	13.4
	Charles Martel	17½	26 8	4	13.4
Italy	Italia	18.9	30 3	4	17
	Lepanto	18.9	29 6	4	17
	Ruggiero di Lauria	17.7	25 11	4	17
	Andrea Doria	17.7	29 6	4	17
	F. Morosini	17.7	25 11	4	17
Germany	Salamander	8	10 2	1	12
	Natter	8	10 2	1	12
	Hummel	8	10 2	1	12
China	Ting Yuen	14	20 0	4	12
	Chen Yuen	14	20 0	4	12
Russia	Catherine II	24	27 0	4	12
	Tchesme	24	25 0	4	12
	Sinope	24	25 0	4	12
Denmark	Tordenskiold	8	15 0	1	13.8

GUNS AFLOAT RANGING POSSIBLY NINE TO TEN MILES.

England	Inflexible	24	25 4	4	16
France	Friedland	7⅞	29 4	2	10.6
	Redoubtable	14	24 10	4	10.6
	Duguesclin	9⅞	24 10	4	9.5
	Bayard	9⅞	24 10	4	9.5
	Turenne	9⅞	24 10	4	9.5
	Vauban	9⅞	24 10	4	9.5
	Fulminant	13	21 4	2	10.6
	Tonnerre	13	21 4	2	10.6
Italy	Duilio	21.7	28 0	4	17
	Dandolo	21.7	28 9	4	17
Germany	Sachsen	17.25	19 8	4	10.2
	Baiern	17.25	19 8	4	10.2
	Wurtemberg	17.25	19 8	4	10.2
	Baden	17.25	19 8	4	10.2
	Wespe	8	10 2	1	12
	Viper	8	10 2	1	12
	Biene	8	10 2	1	12
	Mücke	8	10 2	1	12
	Scorpion	8	10 2	1	12
	Basilisk	8	10 2	1	12
	Cameleon	8	10 2	1	12
	Crocodil	8	10 2	1	12
Brazil	Riachuelo	11	20 0	4	9

We therefore see that the vessels of any of these nations could lie beyond the range of any guns we have and destroy any ship of the American Navy.

But this is not the worst. They could float unmolested off our coast and bombard nearly all our seaport cities.

NEW YORK AND BROOKLYN.

These cities have a population of 1,772,962. One of these vessels could float in 30 feet water off Coney Island, beyond the range of any guns in our forts, and throw projectiles into the business part of the city of New York and to nearly every point in the city of Brooklyn.

I would like to ask what would be the effect if a shell weighing 2,000 pounds should drop and burst at the corner of Wall street and Broadway, and what would be the further effect of a few hundred such shots in New York and Brooklyn. And yet such an occurrence is at this moment a mechanical possibility.

BOSTON.

This city has a population of 369,832. An enemy's vessel could lie in 30 feet of water 5 miles from the State-house in Boston, and throw these massive shells into Lynn, Chelsea, Charlestown, the navy-yard, East Boston, Boston, Cambridge, South Boston, Roxbury, and Dorchester.

PORTLAND, ME.

This city, with a population of 35,080, could be shelled by any one of the vessels described in the table, lying off to the northeast of the city, or the southeast, in more than 30 feet of water, at distances varying from 3 to 4 miles.

NEW BEDFORD.

This city has a population 26,845. Any vessel with such an armament as I have described could lie off in the outer harbor, at almost any point to the southward of the city, in 27 or 30 feet of water, at any distance the commander might select, from 2 to 6 miles, destroy the bridge to Fairhaven, and either exact a heavy contribution or lay the city in ruins in a few hours.

PROVIDENCE.

The harbor at this point has numerous shoals, which, in the absence of a pilot, would render it impossible for a hostile ship to approach it safely nearer than 6½ miles (Conimicut Point), but the high-powered guns I have referred to could readily destroy the vast and important manufacturing industries which center at Providence, with its population of 104,857, from even a greater distance.

NEW HAVEN.

This city has a population of 62,882. Vessels could rest securely 4 miles from the city, in 30 feet of water, and destroy it in a very few hours.

NORFOLK.

The population of this city is 21,926. Vessels drawing 26 feet of water can approach to within 7 miles, and, with high-powered guns, shell every fort of the city.

BALTIMORE.

This city, with a population of 332,313, is, in a great measure protected by the difficulties of access, but it would be possible for vessels drawing not more than 15 feet to sail abreast of the city, and some of the vessels carrying guns of 10 miles range draw but 10½ to 15 feet.

WASHINGTON.

The capital of our country was once in the hands of British troops. It is 200 miles from the ocean, but vessels drawing 19 feet can sail to the city. Its population is 159,871.

RICHMOND.

This city has a population of 63,600. It is 150 miles from the mouth of James River, which has 13 feet of water to the city.

CHARLESTON.

This city has a population of 49,984. There are many points not more than 7 miles from the city from which vessels drawing 25 feet could shell the city.

SAVANNAH.

This city, with a population of 30,790, could be easily protected. Only very light-draught vessels can approach nearer than 10 or 12 miles.

PENSACOLA.

This city has but 6,845 population, but it is important on account of its excellent harbor. A position could be taken in 30 feet of water south of Santa Rosa Island, the distance being not more than 5 miles from the city.

MOBILE.

This city has a population of 29,132, and could very easily be protected, but at present there is water sufficient to float vessels drawing less than 16 feet to within 4 miles of the city.

NEW ORLEANS.

This city has a population of 216,090. It is 110 miles from the sea, but the largest vessels could sail abreast of the city. The control of the jetties would be a strong element in the defense of the city. Small craft not drawing over 5 feet could enter the lake in rear of the city.

GALVESTON.

The population is 22,248. Vessels drawing 30 feet could select any position not more than 3 miles off and shell the city.

SAN FRANCISCO.

The population is 233,959. The harbor, which is one of the finest in the world, could in the present condition of the defenses be entered, but even if this could not be done, vessels carrying high-powered guns could rest outside the bay in 30 feet of water, at a distance of 6 or 7 miles, and shell the city.

I have referred to the larger cities, but it might be well to mention that our smaller seaports are equally defenseless.

Each of the following-named cities could be shelled by the foreign vessels I have named:

PACIFIC COAST.

Port Townsend, Steilacoom, Seattle Harbor, Olympia, New Dungeness, Astoria, Kalama, Portland, Newport, Empire City, Crescent City, Trinidad, Mendocino, Benicia, Vallejo, Santa Cruz, Monterey, San Luis Opispo, Santa Barbara, and San Diego.

GULF COAST.

Brownsville, Clarksville, Brazos Santiago, Appalachicola, Saint Mark's, Tampa Bay, Cedar Keys, and Key West.

ATLANTIC COAST.

Saint Augustine, Jacksonville, Fernandina, Saint Mary's, Port Royal, Georgetown (S. C.), Smithville, Wilmington, Beaufort, Plymouth, New Berne, Edenton, Annapolis, Hampton Roads, Lewes, Atlantic City, Little Egg Harbor, Perth Amboy, Bridgeport, New London, Stonington, Bristol, Newport, Fall River, Vineyard Haven, Nantucket, Provincetown, Barnstable, Plymouth, Lynn, Marblehead, Salem, Gloucester, Rockport, Neburyport, Portsmouth, Saco, Bath, Camden, Bucksport, Bangor, Belfast, Rockland, Eastport, and Calais.

I mention these places merely for the purpose of corroborating the statement I have previously made relative to the defenseless condition of all our seaports—to show that, in case of war, every seaport of the United States would be exposed to naval guns; that no less than eight foreign nations have ships and guns which could bombard our cities; that neither natural obstructions nor artificial defences give them adequate protection.

THE LAKES.

In this connection it will not be wise for us to omit from consideration the exposed condition of our great commerce upon our lakes as well as of the many populous and prosperous cities on their shores.

Under treaty stipulations both the United States and Great Britain are prohibited from building or keeping a fleet of war vessels on the lakes, and the only national protection to the immense commerce which floats upon their bosoms or to the great cities by which that commerce is conducted is afforded by a few feeble, old-fashioned, and, in case of war, ineffective revenue-cutters of the type and class of the Michigan. Nor would it be in our power, in case of hostilities, to speedily improvise a navy for the protection of these waters. On none of the lakes does the Government possess the facilities or appliances essential to the rapid construction of war vessels. And it should be remembered that if it will be difficult to build a navy for the protection of the lakes, it is impossible to place there any portion of the Navy which we may have elsewhere. The outlet of the lakes into the sea is in the possession and under the exclusive control of England.

Now, though we are at peace with England at present, and I, for one, sincerely hope the existing friendly relations may never be disturbed, we can not be assured that these terms of amity and friendship will be maintained forever, and it is the part of wisdom to be prepared for the worst the future may have in store.

> Wise men, my lord, ne'er wail their present woes,
> But presently prevent the ways to wail.

WHAT ENGLAND COULD DO.

While the case stands thus with the United States as to the lakes what is the condition of England in this regard? Widely different from our own, as we shall see. By means of the Saint Lawrence, the Welland Canal around Niagara Falls, the Lachine Canal, and other artificial water ways, that power would be able within a very short time to concentrate upon Lake Erie a most formidable navy. From official reports I learn that the English vessels available for service on the lakes are as follows:

Three iron vessels, armored, drawing less than 12 feet of water, each carrying two muzzle-loading rifled guns of 7-inch caliber, and two howitzers.

Forty-five gun-vessels and gunboats; two iron, three wood, and forty composite, drawing from 9 feet 6 inches to 10 feet 11 inches, the combined armament of which is twelve 7-inch muzzle-loading rifled guns; fifty-six 64-pounder muzzle-loading rifles, one 40-pounder breech-loading rifled gun; fifty-eight 20-pounder breech-loading rifled guns; two 6-inch breech-loading rifled guns; twenty-six 5-inch breech-loading rifled guns; twenty 4-inch breech-loading rifled guns; one 4-inch breech-loading pivot and two 4-inch breech-loading chases.

Three "special and unclassed" vessels, wooden, drawing from 10 feet 5 inches to 11 feet 1 inch, and carrying four 20-pounder breech-loading rifled guns and one 6-pounder mortar.

Nine gun-vessels and gunboats, one iron, two steel, and six composite, drawing from 7 feet 3 inches to 8 feet 10 inches, and carrying two 7-inch muzzle-loading rifled guns; two 64-pounder muzzle-loading rifled guns; sixteen 20-pounder breech-loading rifled guns; four 4-inch breech-loading rifled guns, and one 43-ton breech-loading rifled gun.

Three torpedo vessels, two steel and one iron, drawing 11 feet, and carrying two 6-inch breech-loading rifled guns, and six 5-inch breech-loading rifled guns.

Forty-four vessels—thirty-eight iron and six wood—drawing from 6 feet to 6 feet 9 inches, and carrying twenty-two 10-inch muzzle-loading rifled guns, two 9-inch muzzle-loading rifled guns, forty-two 64-pounder muzzle-loading rifled guns, one 9½-inch breech-loading rifled gun, five 6-inch breech-loading rifled guns, and one 4-inch breech-loading rifled gun. Summarizing these figures we find that a possible antagonist could, in a short time, bring to bear upon our lake commerce and cities two hundred and ninety-nine guns, to oppose which we have—nothing, practically nothing whatever.

Debarred as we are by treaty obligations from maintaining a fleet upon the lakes, impossible as it is and must forever be for us to carry to their waters any of the armed vessels which the Government has now or may have hereafter, is it not manifest—so obvious that no argument can be required to uphold the proposition—that the only means within our power to effectually defend the lakes is to have such a navy upon the high seas as will suffice of itself to deter any commercial power on earth from engaging us in an armed contest.

TRANSPORTATION OF ARMIES.

But there is another question which merits careful attention. In my speech upon the Army I alluded to the possibility of two or more nations allied against us landing large armies upon our shores.

In considering this matter we should deal with the actual facts, and not indulge in generalities and vague surmises.

I shall not take the time to go into an extended account of the navies of all nations, but as an example I will say a few words regarding the transport service of England.

The permanent imperial transport service of England includes nine troop-ships borne on the navy list, officered and manned by the navy. These vessels have an aggregate displacement of 45,655 tons, which is equal to something more than 30,000 registered tons. For voyages of not more than a week's duration these vessels will transport with the greatest comfort 17,400 officers and men and 300 horses. For long voyages the number of men should, when practicable, be reduced.

In addition to this there are borne on the admiralty list four hundred steamers, of which nearly one hundred are rated as first-class—that is, having a sea speed of 13 knots and upward, with coal capacity, in many cases, sufficient to enable them to steam (economically) nearly around the world. These vessels are constructed in accordance with the admiralty requirements for water-tight subdivisions, &c.

As illustrative of this statement the following figures may be quoted:

In 1882 England hired forty-seven steamers, aggregating 120,000 tons, in English, Mediterranean, and Indian ports, for the conveyance of troops, stores, and material to Egypt.

These vessels, aided by two men-of-war and four troop-ships, conveyed 23,989 officers and men, 6,227 animals, and the field equipage for this force from England, Gibraltar, and Malta. The average interval from the date of these vessels' entry into pay until their arrival in Egypt with the troops and material was twenty-four days.

The English Government also hired forty-nine steamers, which conveyed 13,469 officers and men and 7,272 animals from the Indian ports to Egypt.

During the Soudan campaign, 1884, eighty-nine private steamers were chartered by the government, and were engaged in the transportation of men, animals, stores, &c.

In preparation for the expected war with Russia in April, 1885, the admiralty hired for service as cruisers sixteen steamers of the highest sea speeds, varying from 13½ to 18½ knots, of an aggregate gross tonnage of 78,543 tons (average tonnage of each, 4,900 tons). One hundred and three steamers of various types, in addition to these, were chartered for service as transports, additional cruisers, &c.

TONNAGE FOR EACH SOLDIER.

It is usually estimated that in transporting troops on long voyages, with their necessary army equipage and stores, there should be allowed about 3½ to 4 tons for each man; that is to say, a transport of 2,000 tons should convey about five hundred or six hundred soldiers. But when horses are also transported, it is estimated that about double that tonnage should be allowed for the comfortable transportation of men, horses, stores, ordnance, equipage, &c. That is, to transport an army of 100,000 men, with horses, &c., all equipped for service upon landing, we should provide transports aggregating 800,000 tons.

I desire, however, to call attention to the fact that when ample transportation was available forty-seven steamers, two men-of-war, and four troop-ships, all aggregating not over 135,000 tons, transported 23,989 officers and men and 6,227 animals, together with all the field equipage and stores for these forces.

It will be observed that the proportion of horses was full, if not excessive; and yet about 5½ tons per man was amply sufficient. And I also desire to call attention to the fact that the troop-ships are so constructed that 30,000 registered tons will convey 17,400 men and 300 horses, equipments, &c., which is less than 2 tons per man.

But to be liberal in such estimates, assume 5 tons per man to be necessary, and let us see what England's capabilities are in the great matter of transportation.

While the troop-ships register only about 30,000 tons, and the admiralty list has but four hundred steamers, aggregating 1,000,000 tons, we must bear in mind that this does not pretend to include the great steam merchant marine of England.

The official reports show that in 1883 the total steam tonnage of Great Britain was 4,000,000 tons. Take half of this amount, 2,000,000 tons, and divide it by five, about the proportion required in carrying troops to Egypt, and we find that one-half the steam tonnage of England alone could, in a single voyage, transport to any given point an army of 400,000 men, equipped and ready for service immediately upon disembarkation.

In my anxiety to keep within the inside figures I have given the reported tonnage of 1883. It has been increased very much since that time, and a recent official publication by the French Government states that Great Britain possesses 22,500 trading vessels, with an aggregate tonnage of 11,200,000 tons. Of these vessels 4,649 are steamers, with a tonnage of 5,919,000 tons.

It will therefore be observed that all the steam vessels of England could transport an army of 1,200,000 men, with horses and equipments, ready to land and commence offensive operations. But when we consider the risks nations are willing to incur in war might we not expect that even these numbers could be exceeded.

POSSIBILITIES WORTH CONSIDERING.

Let me ask how long it would take to place a large army at Nassau, or Cuba, or some point in England's American colonies, and when once there how long would it take to put such an army at any desired point in the United States?

Gardiner's Bay would not be the best point; but suppose a large army should be lodged there, what would we do about it? The bay would hold all the transports and the naval guns would protect them.

We would whip them out finally, but it would be uncomfortable for New York to have such an army four days' march from the city, and none of us could tell how near they could get to New York before they were whipped.

I think all will admit that the best plan would be to make such an invasion impossible, and that could easily be accomplished.

We must fortify important points of course, but we must do something more. We must build a navy which can cope with that of any other power on earth. When that shall have been done, and it is known that we possess such a navy, no attempt at invasion will ever be made. If any nation were foolhardy enough to make such an attempt, our Navy, manned by our matchless officers and sailors, would steam out of our ports, defeat the convoys, and sink the transports.

I think no one will deny the proposition that if, in the present condition of our coast defenses and Navy, England, with the aid of her unequaled naval establishment, should place an army upon our shores, we would, temporarily at least, be on the defensive, and any nation necessarily limited to purely defensive operations is half whipped before the first gun is fired.

I wish it were in my power to impress upon every one my idea of the importance of aggression in everything which pertains to warfare—whether on the land or on the sea.

MUST MAINTAIN OUR PRE-EMINENCE.

We are now the most important government in the world, and we must have a naval establishment which can cope with any adversary, and which is able to defend our commerce, protect our seaports, and maintain the dignity and honor of the [illegible]ng sovereignty among the nations of the earth.

This is an important, a vital question. It is one into which no mere party considerations should be allowed to enter, for I take it for granted that each party is willing to credit the other with being animated by a sincere desire to do all that should be done toward upholding the dignity and maintaining the honor of our common country.

They may differ, they will differ, and I think it advantageous that they should differ, as to the best means to be employed for securing this object, but as to the unanimous purpose there can be no disagreement. Every American, whether he belong to the Democratic majority or the Republican minority of the voters of the country, anxiously desires, above and beyond any mere party triumph, to do that which is best calculated to secure the triumph of American principles, the protection of American interests, and the maintenance of the just and proper pride of the American citizen.

If then, Mr. Chairman, all parties be agreed in their wish to secure this result, I can not conceive it possible that there can be any difference between them as to the necessity for the United States to be the equal of any other government in the effective force which defends and maintains the honor of our country upon the high seas.

THE PATHWAY TO PROSPERITY.

War may be the direst enemy of industry and commerce in the immediate scene of operations, but it is an undeniable fact, established by the experience of all nations during the last two centuries, that an effective armed force upon the ocean is at once the midwife and the handmaid of foreign commerce.

If then we shall all unite in the effort to secure to our people such a navy as we should have—if, in the presence of this overshadowing question we can, momentarily at least, sink all party rivalries and only vie with each other in hastening that result—it will not be long ere we can once more rejoice in the knowledge that the sails of our birds of commerce are whitening every sea, that the smoke of our merchant steamers is ascending to the heavens which bend above all portions of the globe where their presence is possible; shall once more rejoice in the days wherein labor finds ready and remunerative employment, and capital gains the just and legitimate reward for its enterprise and risk.

Give us such a navy and we shall have taken the first step toward bringing about the return of those halcyon days when discontent in this land of plenty and promise was unknown, when all were satisfied, and all were happy because all were prosperous. [Applause.]

Eight Hours to Letter-Carriers.

SPEECH

OF

HON. BENTON J. HALL,

OF IOWA.

IN THE HOUSE OF REPRESENTATIVES,

Thursday, July 15, 1886.

On the bill (S. 2076) to extend to letter-carriers the advantages secured to other employés of the United States by section 3738 of the Revised Statutes, relating to the hours of labor.

Mr. HALL said:

Mr. SPEAKER: In listening to the discussion which has thus far been devoted to this bill I have observed that it has been confined exclusively to the question of expense—how much will it cost the Government. In the report furnished by the Postmaster-General and the letter of Mr. J. F. Bates, superintendent of the free-delivery system, the increased expense of adopting the eight-hour rule among the letter-carriers would be about $1,350,000. It is claimed by gentlemen who have given the subject very careful consideration that there are errors in these figures and that the additional expense would not exceed $750,000 per annum.

Now, sir, I am not sufficiently familiar with the data to have an opinion as to the correctness of these various calculations, but this bill should have something else about it to commend it, and if it has not it should be rejected, whether the increased cost would approximate the larger or the smaller sum. I am as anxious as any member can be to limit and reduce expenditures and oppose extravagance.

But I confess I do not understand why this measure receives no other explanation or consideration. It is a simple proposition to extend the definition of a legal day's work to the employment of letter-carriers of the United States. It is another move in recognition of the demand of laboring men for help and recognition in their efforts to better their condition. I have no doubt it will increase the expense of the service, and will be beneficial to the letter-carriers individually. But I am not prepared to oppose it because of its expense, nor do I favor it because of its immediate benefits upon a class of men. I favor it because I espouse the cause of labor generally, and am anxious to unite in the great movement—the great experiment that is slowly formulating—to see if the general condition of laboring men may not be elevated, and if they can not be enabled to receive better wages and enjoy a more rational and equal participation in the enjoyment and comforts, which are in fact the not wholly rewarded products of their toil.

On the 25th of June, 1868, the Congress of the United States enacted that "eight hours shall constitute a day's work for all laborers, workmen, and mechanics who may be employed by or on behalf of the Government of the United States." (Section 3738.) This has been since extended to departmental employés and others. Besides, we have provided for leave of absence, for vacation, holidays, &c. But in consequence of the phraseology of the law letter-carriers are not embraced in its provisions. It may be said that the eight-hour law should apply only to wagemen—laborers at daily wages; but I am not quite able to see the distinction. In my judgment it matters little whether the wages are payable monthly, weekly, or daily, and the true criterion is rather the nature and character of the work.

It has been often said that the rate of wages which employers will pay and laborers receive depends upon the great law of supply and demand, and that any system which attempts to fix the length of a day's work or provide that the wages for ten hours shall be the same as for eight must inevitably fail. Let us attend to these suggestions for a moment. I concede that so long as the labor of the world or of any great people is unorganized and incapable of regulating itself, it will always be true that wages must depend upon supply and demand. And this will be true whether the rate of wages is involved or the number of hours of work per day. For unorganized labor is hungry, anxious to secure employment, and competes with itself.

In the world there have always been more men seeking employment than there have been places to employ them. There have been men in place, and men out of place. Those out, with hungry wives and crying little ones behind them, unrestrained by system and without help or

hope, have been and are willing to underbid those who are in by either working more hours or at lower rates. And those in place, rather than go unemployed and have renewed the cries of their dependents, have submitted to the reduction. And thus bitter competition and nurtured selfishness have grown and increased. The rule of demand and supply has governed and will govern under such circumstances, because the greater the number of laborers unemployed the more there were under the duress of poverty and necessity ready to rush in and underbid their fellows in place.

Now, sir, I am not one who believes that it can ever come to be that the man who works eight hours should receive the same compensation as the one who works ten hours; and I would always oppose any legislation that arbitrarily attempts to so provide. Not only this, but in my opinion there should be no restriction or prohibition against any citizen working as many hours as he chooses, or receiving such compensation as his labor was worth based upon his hours of labor. Thousands of frugal and industrious men work extra hours and earn extra wages. There are besides many classes of employment of such character that it would be impossible to limit it with the eight-hour rule as to duration of work, and the limit could operate only as a measure of compensation.

But, sir, this is not the principle of the eight-hour rule as I understand it. Laboring men, appreciating that in the economy of the world they have never been fully or fairly compensated, seeing day after day the results of their labor and toil gathering and accumulating in the hands of a few, who without skill or competency have simply happened to be at the right place and time to have thrust upon them the results of other men's toil, are slowly arranging and organizing with the view of changing and arresting some of the old laws and processes which have always operated so unjustly and oppressively upon them. They are proposing tentatively to modify in a certain sense the old rule of supply and demand. It is insisted that as between men with capital and laboring men the former have an advantage—they do not meet upon equal terms.

The man of capital can wait; the laborer, with no bread or meat in the house, can not. The former can fix the wages and say, "Take that or starve, and I will look for some one else," and if the laborer hesitates another starving workman comes in and takes the place. It is also insisted that in consequence of this disparity the general average of wages is lower than it should naturally be everywhere. Now, sir, the eight-hour rule, or I may say a limited day's work rule, has been suggested and adopted as a means of giving to all men who will work employment. Its purpose is by giving work to all to destroy the competition among laborers, who have heretofore been their own worst enemies in this respect. But to accomplish this it is necessary there shall be organization, understanding, harmony, and a brotherly love among them.

When properly understood and appreciated, I know of no more sublime or noble charity than that which lies at the foundation of the eight-hour rule. It is a concession by the men in place to the men not in place. One class says to the other, let us be friends and divide. We will reduce our time and work less hours so that you can partake in the day's labor and cease your suffering and your bitterness. At first we will necessarily get lower wages, for it must always be true that eight hours' labor can not be the equivalent of ten. But when we have fully established the rule, when all men have employment, when in each home there is bread and meat, when the great family of laborers is no longer divided and inimical to itself and competition ceases in our midst, then we will request the gradual and just restoration of wages for the eight hours' work to a rate justified by principles of right and true economy. Whenever the eight-hour rule shall be generally adopted, so that time to work shall be given to all, the demand for laborers will necessarily be increased, more men will be needed, and wages will be increased.

There are, as just stated, sir, frugal and industrious men now who work extra hours and receive additional pay. Such men will at first naturally be disinclined to limit themselves to eight hours, and there will and should be no law or regulation to compel them to so limit themselves. It is possible that there never will be a time when a large number of laborers will not work in excess of the limit. Indeed it is not a "limit," for any one can work as many hours as he chooses. But the theory of the rule is that social organization and the necessity of giving each individual an equal chance to secure his share of employment will ultimately induce all to observe the charitable rule, and devote the remaining hours to recreation, study, and the development of mind and faculty. These ideas are not theoretical or chimerical, but have been already found of practical operation.

There are several great unions and organizations of labor in the United States and England where competition between artisans in the same trades has practically ceased, in consequence of the social organization, which sees to it that each member shall have his share of labor. And in consequence they have been able to largely regulate and increase the rate of their wages.

Then, sir, I know of no reason why the Government should not, in establishing a rule of this character, be the first to set the example of aiding the great body of the people in increasing the wages of its laborers and employés. Since I have had the honor of a seat upon this floor several propositions have been presented to increase the wages of some of the laboring men in the employ of the Government, and I have heard eloquent and conscientious appeals against such propositions, made in the supposed interest of the millions of laborers in the country who are not thus paid, but who by burdens and exactions help to pay the taxes thus applied to the employés here.

But, sir, in some respects the people, by reason of their remoteness from our individual action and the vastness of their numbers, is like Deity. We can never approach or draw near to them. Neither as legislators nor as individuals can we lay our hands beneath the thighs of the people and elevate them in a mass either in wages, morals, or otherwise. Neither can we be charitable, or generous, or just to them in any such sense. We must deal with those of them whom we can see, with whom we come in contact, with whom we immediately deal. We must be just and generous to individuals. And when we deal justly, humanely, and generously with these, we so deal with the whole people. The example of our action, the influence of our conduct, extends beyond its immediate results. The United States can not act here at the Capitol either justly or unjustly with its employés without its action being felt in the remotest quarters of the Union. And the millions of laborers and tax-payers far out beyond our vision will not complain that we here have recognized our laborers as worthy of a generous and just rate of wages.

I regard with the same conscientious scruples the rights of the taxed people of this country. I favor the closest and most prudent economy. But I believe the laborer is worthy of his hire, and in my opinion the Government should itself, as the exemplar and great exponent of all usages and sentiments, pay its employés the highest rate of wages consistent with the circumstances and nature of the work, and thus by law and example help in this great movement of bettering the condition of the laboring man with regard to both the hours of work and the rate of his compensation.

I grant that the passage of this bill would cost something, but it would be in the direction of increasing the wages of men, reducing their hours of toil, and extending to all an equal chance for employment. Is not that worth the additional cost? Sir, if in fact the labor is worth the increase, it is not an additional cost, but we simply pay what we would otherwise unjustly withhold from our employés. I do not believe we have burdened the statute with enactments for the benefit of labor, except as they might flow, indirectly, from the largesses and grants to capital and combinations. Land grants for railroads, subsidies for steamships, tariff for protection to monopolists and wealth have always in some indefinite sense indirectly benefited the laboring classes, but it has done so subject to the cruel conditions alluded to. They have made capital the master, who has dictated the terms to its employés, who, by reason of the poverty and competition among the laboring classes, has itself fixed the hours of toil and the rate of its wages. It is time, sir, now, that we have some legislation in the direct aid of labor. I do not mean to say that experience may not prove the application of the rule to the case of letter-carriers inexpedient, but I am willing to try the experiment. In my judgment the legislation is in the right direction, and I must support it.

Cyclones.

SPEECH

OF

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, June 30, 1886.

The House having under consideration the sundry civil appropriation bill—

The Clerk read the following paragraph:

For expenses of storm, cautionary, off-shore, cold-wave, and other signals on the sea, lake, and Gulf coasts of the United States, and in the interior, announcing the probable approach and force of storms, including the pay of observers, services of operators, lanterns, and flags, $10,000.

Mr. WHEELER. I offer the amendment which I send to the desk.

The Clerk read as follows:

Insert after the word "dollars," in line 1344, the following:

"To establish and maintain not to exceed six signal stations at such points upon the West India Islands as the Secretary of War may think advisable for the purpose of observing cyclones, hurricanes, and storms of like character, and telegraphing warning of their character and approach, $4,000."

Mr. RANDALL. The point of order is reserved.

Mr. WHEELER. The importance of this subject, bearing as it does directly upon the lives and property of our citizens, more than justifies my effort to have the amendment I offer incorporated in the bill now being considered. It is substantially the same as the bill which I introduced, and which was reported favorably from the Committee on

Military Affairs three months ago. That bill is now upon the Calendar, but the immense accumulation of business will, I fear, prevent its being reached this session.

THE TERRORS OF THE TEMPEST.

We are all aware of the alarm which has been caused throughout the country by the terrible cyclones which have from time to time passed over our land, destroying life and property, and in a moment, as it were, sweeping away entire towns and villages. We are also familiar with the harrowing accounts of the disastrous effects of these tornadoes upon the high seas, wrecking vessels, augmenting the dangers of those who "go down to the sea in ships," and inflicting almost incalculable losses upon owners and underwriters. This measure is designed to enable our people to guard against and protect themselves, so far as human foresight and wisdom can do so, from these perils; and it is universally admitted that it is the highest function, as well as the most sacred obligation of governments, to protect the persons and property of its citizens.

Those who have never encountered a cyclone can hardly imagine the terrors of these manifestations of the irresistible force of the elements when let loose upon their missions of devastation and death. The darkening of the heavens, the appalling stillness of the air, the oppressive sulphurous odor, followed by the furious bursting forth of the unchained winds, must be experienced to be understood and fully realized.

The characteristics of a hurricane are an advancing, generally circular, storm, in which the wind blows with almost inconceivable violence, attended by torrents of rain and terrible electrical displays of thunder and lightning, with a calm space at the center, with constantly recurring fresh outbreaks of extreme violence immediately following the passage of the center, these latter winds always blowing from a direction contrary to those that preceded them.

When these storms sweep the ocean the sea rises in a confused and raging mass, frequently overwhelming the stanchest vessels.

When passing over the land these cyclones not infrequently sweep away forests, houses, and entire villages in a few minutes, the catastrophe being almost invariably attended with deplorable loss of life.

Their repeated occurrence of late years has led the inhabitants of the localities most frequently visited to construct places of refuge in the ground in which their families can find safety during the storm.

HOW AND WHERE CYCLONES ORIGINATE.

As yet science has developed no means of preventing these dreadful visitations, though it has succeeded in discovering their cause, the localities in which they originate, and their general course.

I beg to call attention to a map which I have had prepared, indicating the general track of the most destructive cyclones which have occurred in the last one hundred years. I regret that the map does not extend sufficiently far inland to show the course of these cyclones in traversing the Southern States; but their general track, as shown on the map, indicates approximately the line they follow while moving northeasterly before reaching the Atlantic coast.

From investigation and observation we learn that these cylones originate in the heated belt of the Atlantic Ocean east of the Caribbean Sea. They commence moving westerly or northwesterly, sometimes sweeping over the West India Islands and Gulf of Mexico, and sometimes bearing to the north and sweeping over the Atlantic Ocean. Those that pass over the Gulf of Mexico strike our Gulf coast, and after moving northwardly they are most generally deflected toward the northeast, traversing the Gulf or border and the Atlantic States.

By establishing the signal stations provided for in my amendment all the people of the United States would be given from three to four days' warning of the approach of these cyclones. The first dispatches would inform us that a cyclone was approaching from Trinidad, Martinique, or some other of the Caribbean Islands. These dispatches would be followed by others from San Domingo, Cuba, or the Bahama Islands, announcing the progress and direction in which the cyclone was moving. When it struck our coast its probable course would be determined and definite information upon this point would be supplied to all our people.

WHAT THE STATIONS WOULD ACCOMPLISH.

It is a well-established fact that a rapid and decided fall in the barometer always precedes the approach of a cyclone; therefore if the residents of any locality had received warning that a cyclone had crossed, or was crossing the Gulf, and noticed a fall in the barometer, they would be able to decide that the storm with which they were threatened was a cyclone, and could take all necessary and available precautions against its destructive effects. If, on the contrary, no information of the progress of a cyclone had been received, they would take it for granted that any lowering of the clouds, or winds, or rain, indicated the commencement of a storm of only local character, which was in no way dangerous. The advantage which every community would derive by being relieved from the bewildering apprehensions necessarily attendant upon uncertainty on this point would compensate an hundred-fold for the trivial cost of the signal stations I propose.

Cyclones have also originated in British America, and at other points in the Rocky Mountain region, and near the Pacific coast, but they have never proved so destructive as those to which I have referred.

It is also worthy of our consideration that the cyclones from the Caribbean Sea are fraught with great danger to our Atlantic and Gulf coast, through the effects of what is known as the "storm-wave." The violent disturbance of the atmosphere, and the diminished pressure, and possibly other forces, cause the water to rise above the ordinary level of the ocean, and the wall of water thus occasioned is driven along with or before the hurricane, resulting in fearful inundations, which destroy vast amounts of property.

Interstate Commerce.

SPEECH

OF

HON. FREDERICK A. JOHNSON,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 21, 1886,

On the bill (S. 1532) to regulate commerce.

Mr. JOHNSON, of New York, said:

Mr. SPEAKER: The matter of the regulation of interstate commerce has been before Congress for many years. Aside from the tariff and currency perhaps no other subject has of late years received more attention at the hands of the National Legislature than this. Congress after Congress has considered and debated it, and its importance has been generally conceded. The debates have been so long continued, and participated in by so many able men who have spoken on both sides, and that, after careful thought and study, that the ground would seem to have been already entirely covered; indeed, I very much doubt whether anything new can be presented in the discussion on the bill now before the House from the Committee on Commerce.

The rapid growth and vast extent of the railway system of our country is one of the wonders of these later times—a system so interwoven with the business, the comfort, and the pleasure of all the people, rich and poor, capitalist and laborer, producer and consumer of every section, as to make everything pertaining thereto matters of common interest and consideration. The regulation of a commerce carried over 125,000 miles of railway, representing an investment of $8,000,000,000, with a great army of employés numbering hundreds of thousands, carrying in 1884 350,000,000 passengers and 400,000,000 tons of freight, all must concede to be of such importance as to deserve the most careful thought and consideration at the hands of those who take part in such attempted regulation; and discussion thereon should be had as far as possible without prejudice and in such a spirit of impartiality and fairness as gives the most promise, and in the "long run" always does bring about, the most desirable results.

The greatest care should be taken lest in seeking to remedy known evils we do not unintentionally bring about others which in due time will require other legislation to correct.

None will contend that the system of railway management in this country is free from defects, or deny that some legislation is desirable as well for those who ride and ship and consume as for those who furnish the means of transportation; but I do not believe, as one would be led to suppose from much that had been said and written on the subject, that railroads almost deserve to be classed as great evils and as enemies of the general public, or that railroad managers are all unprincipled and grasping, conducting their business with no thought except for themselves, blind to the interests of the people and regardless of the rights of those who give them patronage.

I can not overlook the great part borne by the railroads in the development of this country. The bringing together of widely separated sections by easy and rapid communication; the opening up and peopling of vast regions of our territory which otherwise would have remained uninhabited; the cultivation of unnumbered millions of acres of our soil, heretofore barren and waste, now made productive under the hands of industrious and thrifty proprietors whose crops find ready and cheap transportation to the markets of the world, and the consequent addition in almost incalculable amount to our national wealth; the appliances for the rapid, comfortable, and luxurious transportation of man and beast, appliances that are being constantly improved and enlarged and which are far in advance of those enjoyed by any other people—all this will be readily conceded and the question possibly be asked why enumerate these things which all acknowledge to be facts; to which I would answer that such an enumeration of resultant benefits would seem to be sufficient to exempt the railroad management from at least some of the harsh judgment and many of the hard names that are so easily applied. Nor can I forget another thing, not so often mentioned by those

who so easily and readily call these hard names, namely, that year by year a large and increasing competition and the inevitable working of the law of supply and demand have caused a steady decrease in the rates of passenger and freight traffic, until to-day they are lower than in any other country in the world.

Human nature is selfish, and men everywhere are looking out for "number one;" but no man or body of men can long pursue a course which ignores the rights and privileges of those about them without paying dearly for it. All men know this and none better than railroad managers, and though among them there may be, as in every business, bad men, bold and unscrupulous, who in their eager rush for wealth and power would ride over everything in their way and disregard the rights of the public so far as possible, yet they are the exceptions, and among the railroad managers of to-day I believe there are men of high character and honorable purpose in as large proportion as can be found in any other line of business. The capital in railroads is there for profit, as is the case in all business investments, and the roads are run to make money while accommodating the public.

If while thus seeking an appropriate return on investment the railroad management shall look only to their own profit and turn a deaf ear to the reasonable demands of the public, a day of reckoning will surely come, and public opinion will certainly compel reform, and that too, if need be, by severe measures and "heroic treatment;" but I believe and am confirmed in such belief by what I have heard and read on the subject, that these managers, many of them as capable and successful business men as we have, are not so blind to their own interests as to persistently disregard public sentiment and opinion; but that same self-interest, as well as their better judgment as honorable men, will lead them to meet at least half-way all efforts for the settlement of grievances, the redress of wrongs, and the correction of unjust and arbitrary discrimination.

The gentleman whose name the bill now before us bears, Mr. REAGAN, of Texas, has for many years been at the front in the debates and attempted legislation on this subject of interstate commerce. I have the highest respect for his ability, and not a doubt as to the sincere and honorable motive and purpose actuating him in all that he has said and done in this regard, and yet I do not favor his bill and did not join the majority of my associates on the Committee on Commerce in their favorable report.

After hearing the discussions on the subject in the Forty-eighth Congress and listening to the arguments made before our committee during this session, with such information as I have been able to obtain in other channels, together with my own limited observation and experience as to general business, I am led to the opinion that the way proposed by the Reagan bill, so called, for the regulation of interstate commerce, is not the best way, but recognizing the demand for some action by Congress, and believing the wise course will be to heed such demand, I therefore favor some legislation; but in my humble judgment the best way now is to attempt such regulation by the means of a board of interstate commerce commission, such, for instance, as the one proposed by a majority of the Committee on Commerce of the Forty-eighth Congress, or as named in the bill introduced in this Congress by Mr. BAKER, of New York, or as provided in the Cullom bill recently passed by the Senate.

I believe that it is unwise to attempt to regulate interstate commerce by enacting laws to reach all the endless and every day details of a business which reaches out toward every point of the compass, that has "gridironed" the land from end to end, and that enters directly or indirectly into every channel of trade, that requires the constant care and closest attention of practical men educated to the business, and so qualified to prepare for and provide for the needs of the ever-varying trade and commerce of the country. Iron rules to govern a commerce so vast, so intricate, so endless in detail, it seems to me, would be impracticable, and would in many cases embarrass rather than help to improve the situation. It may be said that such detailed results are not the intent of the legislation proposed, and possibly such statement would be true so far as the intent is concerned; but I can not see how any other construction can be put upon it.

In place of such legislation why not by a commission covering the whole country provide a channel for the presentation and the candid and careful consideration of complaints, and the righting so far as possible of real wrongs and grievances; a commission with powers wisely restricted, and yet given such discretion in their judgment and decision upon the ever-changing and widely differing phases of the questions presented to them as can safely be intrusted to men likely to be clothed by the appointing power with such responsibilities? Laws have been passed in various States of the Union creating boards of railroad commissioners, and in the main results have been satisfactory.

Shippers have carried their grievances and made their complaints to these commissioners, which have been in that way brought to the attention of the railroad managers; have as a rule been met by such managers in the proper spirit, investigation has followed, parties have been brought together, suggestions have been heeded, recommendations followed, awards accepted, and in almost all cases the results have been satisfactory to all concerned. We have had such a commission in New York for three years past, since 1883. The law was framed by and enacted largely through the efforts of a member of this House, my colleague, Mr. BAKER, and so far as I know the well-nigh unanimous opinion in our State is in approval of the work of said commission and in favor of its continuance.

I quote as follows from the message of the governor of the State (now the President of the United States) transmitted to the Legislature January 1, 1884:

> Since the organization of the board of railroad commissioners they have done a vast amount of work of a character which demonstrates the need and usefulness of such a department and with results which are creditable to the zeal, fidelity, and intelligence of the commissioners. During the eight months next following the organization of the board seventy-five complaints were preferred, all of which were fully investigated. Some of these involved a thorough examination into the financial affairs and history of large railroad corporations, while others had reference to the comfort and safety of passengers and citizens as relating to the operations of the roads. Many recommendations have been made to the railroad companies in order to protect the people in life and limb, most of which have been cheerfully adopted.

I quote as follows from one of the reports of the New York railroad commissioners:

> Our brief review of commissions and their results may thus be stated: Through their well-directed efforts more has been done than through any other known method of State procedure to raise the railroads and the people to the plane which each must occupy before any satisfactory settlement of their relations can begin to be accomplished; each must first learn that their interests are mutual and not conflicting. That railroad which regards its transportation opportunities as prey is digging the grave of its prosperity and is prohibiting its own growth. That community which seeks the correction of railroad abuses through destructive measures is killing the patient as a cure for disease and is losing the very advantages which it theoretically seeks.

In the light of such testimony, to which we might add the experience of other States; in these days when the principle of arbitration seems so popular, as illustrated in the recent debates and vote on this floor on the labor arbitration bill; now when there seems to be a growing sentiment favorable to the bringing together of nations, corporations, and individuals between whom differences have arisen, that by conference and perhaps mutual concession the interest of all may be promoted, is not the proposed correction of all real or fancied evils and real harmony between all the parties more likely to be brought about in regard to the question of interstate commerce through the channel and on the plan of a national commission, whose methods can be changed if need be as shall be suggested by that best of all teachers in such matters, the experience of daily business, rather than by the means and in the manner proposed in the Reagan bill. It is wise statesmanship that seeks to harmonize opposing elements and forces, remembering that there are two sides to every question.

The labor question has of late been very prominent in this country and has properly received attention at the hands of the representatives of the people here assembled, and as a friend of labor and anxious to do all in my power to promote its true interests the recent legislation had my sympathy and support; but in all the eloquent and earnest speeches made on the subject on this floor I do not remember to have heard one word in protest against the taking of the law into their own hands by one side, obstructing travel, disarranging business, and destroying life and property—crimes, and high crimes deserving severe punishment—acts, however, which I am bound to say I believe were not approved, and were condemned by the great majority in the ranks of labor in this country.

At present the popular side is the one against railroads. Let us remember, however, that shippers and carriers both have rights, and the duty of protecting such rights is as binding on the one side as the other. How shall all this best be done? Not, in my judgment, by multiplication of our laws; not by the enactment of statutes at once arbitrary and exacting; but rather by means of a commission wisely selected, simple and practical in its methods, that will recognize the rights of all, and in a spirit of conciliation and right doing will seek to bring the parties together for such settlement of differences as become honorable men.

My friend, Mr. RICE, of Massachusetts, in the course of one of the ablest speeches on this subject in the Forty-eighth Congress, said:

> The government of a free and civilized people must not govern too much.

And, in my judgment, that is just what we are doing in such legislation as that proposed in the Reagan bill.

The honorable gentleman from Pennsylvania, Mr. RANDALL, in the last Congress, in a speech on another question, said:

> Shall we unsettle business interests by constant tinkering? Shall our meeting here be the cause of terror, and our adjourning the cause of rejoicing?

I think such questions may well be asked in connection with the legislation proposed by the Reagan bill for the regulation of interstate commerce; for it is of such a character as to make the business public anxious when Congress convened and relieved when it adjourns. I believe the legislation proposed by the Reagan bill, so called, is of a class that is disturbing, that tends to unsettle and derange the general business of the country; that it is too exacting and far-reaching; and that we can not embarrass and confuse the workings of a business so vast and complicated as the railroad system of this country without a reaction injurious and damaging to the interests of the general public as sure to follow as that the sun will rise and set to-morrow.

Forfeiture of Northern Pacific Land Grant.

SPEECH

OF

HON. BINGER HERMANN,

OF OREGON,

IN THE HOUSE OF REPRESENTATIVES,

Monday, July 26, 1886.

On the bill (S. 2172) restoring to the United States certain of the lands granted to the Northern Pacific Railroad Company to aid in the construction of a railroad from Lake Superior to Puget Sound, and to restore the same to settlement, and for other purposes—

Mr. HERMANN said:

Mr. SPEAKER: As to the policy or impolicy of creating this immense grant of the public domain over twenty years ago it is not now essential to discuss. It is sufficient to know it was done. We do not, however, forget some of the leading inducements. It was in a time of civil war, and in the deadliest of its hostilities. The existence of the nation was in peril. An immense coast line on the Pacific Northwest was exposed and defenseless. Three thousand miles separated it from the center of population. Foreign nations awaited the fatal moment when the Republic should fall in dismembered fragments a prey to the enemies of free government on earth. Great Britain, ever on the alert as to our weakness, and with her rich colonial possessions adjoining us, patroled the high seas with her floating armaments, prepared to seize as well as defend every advantage in the critical hour.

Here was an immense domain constituting west of the Rocky Mountains one-fifth of the whole national area, and separated from the rest of the Union by lofty mountains, uninhabitable wastes, and with no means of rapid transit. Without transportation facilities in the near future, but few inducements were offered the pioneer. Much of the country was rugged and roadless and largely occupied by roving Indian tribes, constantly on the war-path, and requiring the ceaseless vigilance of United States troops at enormous expense to the Government. The entire intermediate country was worthless to civilization without some commercial outlet. The populous communities along the seaboard and in the earlier settled valleys were longing for railway connection with their old homes in the East. Having subdued the country adjacent to the coast after long trials, privations, and suffering, and the display of courage, fortitude, and endurance such as has few parallels on the historic page, they conceived it a duty of the nation to aid them in the realization of their fondest desires. They grew impatient in their seclusion.

Every section of the Union was pushing ahead with giant strides. The Pacific Northwest alone remained uncared for. With railway transit the pioneer was promised a return journey to the Atlantic in six days, which with the slow plodding ox-team he traversed in six months! He was also reminded of the quickening life which railways would impart to every remote section of the great forest and mountain expanse then before him. Is it surprising, sir, that everywhere there was an earnest, enthusiastic desire for the transcontinental railway, even though it cost what was granted to obtain it?

The great benefits to accrue to the citizen and the nation as well were deemed ample consideration for the price paid. These views were expressed by the leading statesmen of the nation at the time. Mr. Hendricks, late Democratic Vice-President, whose sad death this Congress recently, in common with all the people, so profoundly mourned, when speaking in the United States Senate June 27, 1864, on the passage of this very grant, said:

> Everybody can see at a glance that it is a work of national importance. It proposes to grant lands in a northern latitude where, without the construction of a work like that, the lands are comparatively without value to the Government. No person acquainted with the condition of that section of the country supposes that there can be very extensive settlements until the Government shall encourage those settlements by the construction of some work like this.

The man in the West who raised his voice against this generous and patriotic sentiment was at once regarded as an enemy to progress and civilization. He was pointed at as a "fossil" and old "fogy," "a moccasin man," a friend of the cabin, the ox-team, and Indian trail. He was voted an obstructionist. These reflections are submitted not to apologize for but rather to soften somewhat the harsh criticism of the present day for the liberality of the generation of a quarter of a century ago.

A NATIONAL NECESSITY.

The struggling nation painfully realized the necessity of reaching with quick transit those distant portions of the Republic, that it might in future perils be enabled to render rapid and adequate aid. This could best be afforded by a continuous railway communication between the Mississippi and the Pacific Ocean. The task and the required expenditure involved seemed appalling. The object to be accomplished was deemed a sufficient inducement for the sacrifice. The prize was well worth the cost. Our sister republic was already floating an imperial flag in defiance of our cardinal Monroe doctrines, and an emperor exacted allegiance from those who but a few days before were citizens of a free nation.

The States and Territories on the Pacific trembled in hourly anticipation of domestic violence by those who were secretly plotting with the enemy to wrench the feeble authority of the National Government there and proclaim the existence of a Pacific republic. But the great nation was itself in the throes of dissolution. Every man and every dollar was utilized in exerting the supremacy of the Constitution and laws. Every resource of the country was strained to the utmost tension. The last hour seemed to have come. In these dismal days only results were looked for, and little heed paid to the means that led to the end. In these extremities Congress willingly bartered away the rich prize of the public lands that it might strengthen and preserve the Union of the great domain between the Rocky Mountains and the Pacific Ocean. Grants of lands and subsidies were promptly and generously voted the Union and Central Pacific Railroad Companies that communication might be had with California and Nevada on the Pacific. That a like advantage should be extended to the great Pacific Northwest a grant was also made to the Northern Pacific Railroad Company.

THE GRANT AND ITS BENEFITS.

The charter was granted July 2, 1864, for the building of a railroad through that immense region of almost uninhabited country from Lake Superior to Puget Sound, with a branch road to Portland, Oreg. The distance was over 2,000 miles. The grant allowed two years in which to commence work, and required a completion of the road within ten years. After several amendments and extensions of time the last limitation for completion was fixed at July 4, 1879. Financial misfortunes overtook the company, and by the time limited they had only completed 531 miles, to near Bismarck in Dakota. Had Congress seen fit to re-enter by declaring a forfeiture of all the grant westward of this point it is generally conceded this portion of the public domain could and would have been restored.

But no action was taken and the construction of the road proceeded rapidly. As sections of 25 miles were completed they were inspected by United States commissioners, accepted and certified by the President for patent. Towns and cities were built, great mines were developed, population rapidly followed in the van of the army of railroad builders, homesteads and pre-emptions were made of choice places, United States land districts were created, and everywhere a new life was breathed in this hitherto almost trackless waste of 2,000 miles. While this long line was approaching the Cascade Mountains active work was also in operation connecting Portland, Oreg., with Puget Sound and the western foot-hills of the Cascade range. These two ends are rapidly nearing each other, and now it remains to close an interval of but 75 miles when a direct and continuous line will have been completed by this company from the lakes on the Atlantic to the waters of the Pacific. This gap of unfinished road is mainly on the top of the Cascade Mountains, and requires a continuous tunnel of about 2 miles in length. At this point the greatest resistance is met and stupendous work night and day is in progress.

THE PROPOSED SENATE FORFEITURE.

It is this portion of the grant on the Cascade Mountains it is proposed to forfeit, and also the grant along the 214 miles in Oregon, from near Wallula to Portland, within which the company have constructed no road. This was originally known as the branch line. It leaves the completed road running toward Puget Sound at Wallula on the Columbia River and follows that river to Portland, Oreg.

Another road having been built along the Columbia River between Wallula and Portland, and no efforts having been made to earn this portion of the grant, there is a universal desire for its restoration to the public domain, and no equities can be urged for further delays. Much opposition, however, is made to the forfeiture of the grant on the Cascade Mountains, as there it is claimed active work is in progress, energetically directed to a completion of the remaining 75 miles. This is urged as an equity.

THE PROPOSED HOUSE FORFEITURE.

The measure recommended by the Committee on Public Lands of this House includes the restoration of all the grant west of Bismarck coterminous with the line of road constructed and not constructed after the expiration of limit named in the grant, and embracing, it is estimated, 26,000,000 acres of land. Of this about 1,000,000 acres are in the 75 miles of unconstructed Cascade division, and about 2,000,000 acres are in the unconstructed 214 miles of the Wallula-Portland division.

THE EXTENT OF THE GRANT.

The company was originally granted twenty alternate sections on each side of the road in the Territories, and ten alternate sections on each side of the road where it passed through any State. This embraced 12,800 acres per mile in the States and 25,600 acres per mile within the Territories. The estimated available quantity of the grant is 42,000,000 acres, or 65,620 square miles. There was 531 miles of road constructed before the date fixed for completion of the entire line.

THREE PROPOSITIONS.

In the adjustment of this grant there are three propositions advocated

in Congress. First, the entire forfeiture of all that portion of the entire grant westward of Bismarck in Dakota Territory, to which point the road had been constructed July 4, 1879, the maximum limitation named in the grant for completion of entire road. The second proposition is confined to a forfeiture of all unearned lands at this time, which comprise the grant of the 75 miles of unconstructed Cascade division and 214 miles unconstructed Columbia River division in Oregon (Wallula to Portland). The third proposition only includes the Oregon division between Wallula and Portland.

The majority of the Public Lands Committee of this House report in favor of the first proposition, while the minority of that committee favor the third proposition. In the mean while the Senate passes a bill which is submitted to this House, and which with some additional details constitutes the second proposition; that is, forfeiting all lands coterminous with the lines of road not constructed at the date of the passage of the act. This Senate proposition is accepted by the minority of the House committee. There is, therefore, immediately before us for consideration but the two issues: Shall we declare forfeited all the lands westward of Bismarck, in Dakota, which includes about 1,500 miles of constructed road now in operation, or shall we confine our forfeiture to that portion of the grant within which the company has failed to construct its line of road?

ARGUMENT OF COMMITTEE.

It is argued in favor of an entire forfeiture that the original grant as amended limited the completion of the road to July 4, 1879; that this was a condition, and that this condition was an entirety; that time can not run against it, nor can there be a waiver by the Government, and that laches can not be imputed to it in the assertion of its rights; that while the Executive Departments may have recognized a continuing grant, this can not be urged as an estoppel of Congressional action—the executive can not bind the legislative; that the corporation had notice of the limitation and suffered all the consequences which such limitation imposed upon its default; that the road was not completed strictly within the time limited, and that the grant can not be construed to protect any of the road constructed out of time, nor continue title to any of the lands coterminous therewith; that time is of the essence of the contract; that a legislative act of forfeiture is the entry on condition broken, and is likened to the common-law entry by the grantor, and that, as in that case, all transfers and alienations are avoided and the grantor reinvested of all his estate so forfeited.

ARGUMENT FOR SENATE BILL.

Those who antagonize these views assert that this is by its words a grant *in præsenti* with a condition-subsequent; that such condition being performed by the grantee before a judicial or legislative declaration of forfeiture, the grant continues effective. An instance cited is that of a mortgagee before foreclosure and after condition broken, who may avoid the penalty, condition, or forfeiture by subsequent payment. In further illustration, the Government of the United States may be compared to an individual—a grantor who stands by and allows another to comply with a condition after default, and thus he disables himself to take advantage of it. That non-action is an implied waiver. While it is admitted that under the old common law the principle obtained that no performance of a condition, after the day fixed for it, could save the forfeiture, yet in modern times it is construed that such a grant is charged with a trust rather than affected by a condition, and that such construction is based largely in the disfavor of courts to forfeitures upon breach of conditions-subsequent. Confirmatory of these propositions, several leading cases decided in the Supreme Court of the United States are cited.

It is further contended, as to the road constructed out of time, that Congress never asserted its right of forfeiture, but that it did allow the company by an implied assent to extend its road. Notice was brought to Congress of the expiration of the granting time and of the unfinished road, and committees were appointed to investigate, and they reported against forfeiture. It is further shown that by express acts of Congress after this and as late as 1882 the right of way for over 100 miles in the Crow Indian reservation was granted the company that the construction of the road might proceed. In further recognition the Government by its inspectors examined and approved the sections of road completed, and each administration, including the present Executive, have accepted these roads constructed out of time. The Government continues its double minimum price on the even sections by reason of the grant. Settlers have been induced by the company to settle on these lands, payments have been made to it, and contracts of sale negotiated with thousands. In the event of a sweeping forfeiture this great and wealthy corporation will seek redress in the courts, causing uncertainty, anxiety, and expense, with the consequent standstill of much progress and improvement along that immense distance.

THE MOST PRACTICAL.

I do not propose to enter into a discussion of the merits of this proposed general forfeiture, nor do I venture an opinion at length as to the abstract right of the Government to forfeit or the corporation to claim in law or in equity this grant. I take my stand and am controlled in this matter by that course which I conceive will produce a concurrence of both Houses of Congress in some forfeiture. This will give us success at this session. No other course will. A failure to effect a forfeiture now will allow the railroad company to earn the lands on the present unfinished Cascade branch before we can act at the next session. We know that the Senate will not concur in the House bill, but we know we can concur in the Senate bill and pass it now, and save all the grant unearned along unconstructed road. Why, sir, do we not do this? I ask an opportunity to vote on this. If we decline this we lose all. We shall be like the dog, gazing in the placid waters with a slice of meat in his mouth, and seeing the shadow of the meat, he opened his mouth and leaped at it and thus lost the savory substance.

I can see no relief in this persistent and useless struggle. But on the contrary it does seem to me we invite in our defeat a further loss of the public domain by postponing forfeiture of the unearned lands, with continued anxiety and loss to thousands of poor people settled on these grants and inconceivable discouragement to the public progress along the line. Firmly impressed with this belief, I can not believe it advisable to support the measure. To disdain what is possible, indeed what is now offered us, is to directly and practically aid and perpetuate the very system we pretend to abhor. The result of our action is a direct benefit to the corporations and an injury to the people. We prevent a restoration of these unearned lands and enable the grantees by our delay to complete their roads and then to invoke the aid of the courts for their title. For one I do not propose to be hoodwinked in any such scheme. Let us not do by indirection what we would not do by direction. If we are the friends of the settler let us say so by our acts. If we are sincere in our professions of preserving the remainder of our public lands, let us not delay action.

PEOPLE DEMAND FORFEITURE ALONG UNCONSTRUCTED LINE.

It would be well if Representatives would consult the real wishes of the people, rather than the ravings of demagogues, who have no conception of what is practical from the impractical, but do have an utter misconception of the subject as well as the real interests of the people. As to this particular grant I now submit to this Congress a petition signed by nearly three thousand people of Oregon and all within the 214-mile limits. I call these people and settlers into court over their own signatures, and they shall speak for themselves. They ask for a forfeiture of the 214-mile division between Wallula and Portland.

As further showing the sentiments of the people directly affected I now quote from the Bunch-grass Blade, a people's paper (not a railroad organ), and published in the town of Lexington, within the 214-mile grant, and widely circulated among the homestead settlers, the stock-raisers, and farmers. The earnest enthusiasm manifested is indicated in this extract:

MAKE YOURSELVES HEARD.

There is no question about the force of Congressman HERMANN's remarks upon the necessity of the people of Bunch-grass making some demonstration toward influencing Congress to early action on this railroad forfeiture. Every town in Oregon within 40 miles of the Columbia, between the Cascades and the Blue Mountains, should be the scene of an enthusiastic mass-meeting of men who will make it their business to memorialize Congress upon the wrongs people are suffering under in consequence of this criminal neglect on the part of two bodies of representatives paid to see to their interests. The duty of peaceably meeting and earnestly urging immediate action on Congress is imperative. This is a subject of more importance to us than either Democratic or Republican victory in State or county politics. God helps those who help themselves. Good full meetings should be held in Heppner, Lexington, Hardman, Ione, and Ella, in Morrow County, right away. Rally, organize, and appeal!

The advice here given was acted on and rousing petitions from these people are before us.

The sentiment of the people as to the impracticable House substitute for the Senate bill is well expressed in the Daily Oregonian, of Portland, Oreg., of June 21, as follows:

The Senate passed a bill proposing to declare forfeit those parts of the grant where the road has not yet been constructed. This was sent to the House, which body has substituted for it its own more radical bill to declare forfeit all those portions of the grant where the road had not been constructed up to the time the grant expired, some four years ago. The result of this disagreement very probably will be total failure to do anything, and as a further consequence the company will keep its hands upon all the lands it loosely and widely claims, including those along the Columbia River, where it has no intention or thought of ever building a road.

Within the limits of this grant in Washington Territory in the prosperous town of Goldendale is published the Goldendale Sentinel, and from the issue of June 17 last I extract the following editorial as a fair presentation of the public sentiment in that great section of the Columbia River valley:

It seems that the bill for forfeiting the railroad lands between Wallula and Portland, which tract embraces nearly half the lands of this county, is, like Cæsar, to die by the hands of its friends. The ultra-forfeiture men in Congress, headed by Senator VAN WYCK, whom the people have heretofore looked to as the champion of their rights, seem determined to avoid a square vote on this bill for the purpose of making it a sort of propelling oar to a general forfeiture bill, claiming that if they pass this bill disconnected it will be an implied abandonment of their right to demand the forfeiture of other lands. We wish the friends of forfeiture would bring a little common sense to bear on this question, and not disdain that which they can get because they can not get all they ask. As we have before frequently stated, the question of the forfeiture of the railroad lands down the Columbia River is an independent proposition; and on this proposition there is no division of opinion, or if there is it is a hidden opinion.

So far as the question of the forfeiture is concerned along the line where the road is already built and operating, there is a difference of opinion among the settlers themselves. Many of them have purchased their lands of the company,

and they don't wish their titles disturbed. The road is in operation and they have the benefit of it; and if it were left to a vote of the people, it is doubtful if they would vote for forfeiture, not because they have any respect or love for the railroad, but because, looking at their own interests alone, they would probably doubt the propriety of disturbing the title to the possessions which they hold under the title of the company. But here the case is entirely different. We neither have a road, or the promise of a road. Not only has there never been the stroke of a pick in furtherance of the enterprise, but there has been a continued and pronounced abandonment of the enterprise for years.

Our position is certainly anomalous. For nearly a quarter of a century, half our lands have been tied up from public settlement; the growth of the country has been retarded; its material interests cramped; and its people kept in a perpetual fever of expectancy. We want the grant forfeited, and the company claim that they are willing that it should be forfeited, and yet the forfeiture bill makes no headway. The assertion of Senator VAN WYCK that he should oppose this bill because it was only forfeiting what the company was willing should be forfeited, is as silly as it is unjust to the interests of the people. What difference does it make to the people who are affected by the grant, and who desire the forfeiture, whether the company are in favor of forfeiting it or not. They are not asking for the forfeiture in a spirit of spite toward the company, but because the interests of the country demand the forfeiture. How illogical it is to clamor for a certain right until the party withholding it accedes to our demand, and then refuse to accept it because they do accede. Such performances savor either of demagogy or idiocy. The sensible thing for the forfeiture men in Congress to do is to secure the restoration of this grant to the people while they can, and then contend for more.

I quote now from a prominent Democrat, a leading citizen of Eastern Oregon and along this Columbia line, and whose speeches in the recent campaign in favor of a prompt forfeiture of unearned and fraudulent railway and wagon-road and swamp-land grants were applauded by the settlers and people of all partisan politics. I select his letter as a sample of others received by me and of the prevailing sentiment. It is dated Dalles City, February 11, 1886. He says:

As you suggest, this portion of the grant (Wallula to Portland) is clearly unearned, and on that point there can be no controversy. To go beyond Wallula would be to enter upon controverted ground and would be to invite such complications as would almost certainly defeat the measure. And even if a bill to forfeit the grant beyond Wallula should become a law the whole question would be taken into the courts, and even though the law should be finally sustained, yet it could be kept for years in litigation, and thus keep the lands closed against settlement for an indefinite period.

* * * * * * *

By undertaking too much nothing will be accomplished. So palpable does this seem to me that I should suspect those overzealous advocates of forfeiture who seek to include too much in their measures to be really in the interest of the railroad company and laboring to defeat forfeiture. If Oregon Representatives in Congress succeed in getting through a measure restoring to the public domain the unearned lands of the Northern Pacific grant lying between Portland and Wallula they will satisfy the utmost expectations of their constituency in this respect. And if they do this without having their measure killed by efforts to drag it beyond Wallula they will do well indeed.

The most valuable portion of this 214-mile division I should think from a personal knowledge is that between The Dalles and Wallula, especially on the John Day River. There is a fine scope of country which the past few years of experiments have shown to be highly productive and capable of sustaining a large and prosperous agricultural community. There is really no waste land in the whole vast region, for the lands not suitable for plowing are in every instance, even to the breaks of the Columbia, fine grazing lands. This country, when once settled up, is destined to be one of the chief stock-growing sections of Oregon, an industry even now one of the most profitable of our State. The soil is fertile to the summits of the highest elevations, the climate is equable, and the seasons free from violent storms, from drought in summer and excessive cold in winter. Destruction by blights and insect pests is unknown. Such are the inducements to the home-seeker, and many hundreds have been tempted to make settlements. Their cabins are seen located here and there for a distance of 200 miles along and interior from the Great Columbia in Oregon as well as in Washington Territory. These people are looking wistfully to this Capitol for a remedy. On tiptoe they are listening for some welcome tidings announcing the restoration of these lands to the public domain and the near approach of the day when they can call their present possessions by that dearer and more cherished word—home!

ACTION IS DEMANDED.

They have appealed to this Congress for relief. Petitions, legislative memorials, correspondence, newspaper editorials, resolutions of conventions, and personal appeals have all been made. How much longer shall they be denied? All concede that this portion of the grant is clearly forfeitable, and none deny the power of this body to declare a forfeiture. Then why decline a compliance with the urgent, unanimous, and long-repeated appeals of the people?

To insist on tying this portion of the grant, along which no road has been even commenced in or out of time, with that portion along which a road has been constructed and long in running order is to mock the demands of the people. It does even more; it inflicts positive public and private wrong. It invites these poor settlers to a long and uncertain litigation in some future year with wealthy and all-powerful corporations. It ties up the titles of the country, it discourages settlement of the public domain within the granted limits, and it retards the prosperity of that whole country. To insist on a forfeiture of the whole grant westward of Bismarck is to insist on something impracticable. This is self-evident even to those who so persistently demand this extreme measure. They prate of their love for the settler, of the rights of the people, of grasping monopolies, and then, after coming in at the closing hours of the session, stubbornly refuse to accept measures which all concede are practicable and will afford relief and save millions of acres of public land from further control of corporations. Is it surprising people should become weary of such legislative jugglery?

In the early days of the session I introduced a bill exclusively for a restoration of this 214-mile grant and for the protection of settlers' rights. No reference was made to the Cascade or any other portion of the grant. Even if desired it was deemed impracticable. It was thought Congress would not agree to anything more radical. A Senate bill is now submitted to this House granting this and adding a forfeiture of all lands coterminous with the uncompleted portions of the Cascade branch of the Northern Pacific railroad. This comes to us now in the nature of a compromise. It is a great concession on the part position at the other end of the Capitol. It is the most liberal, as well as most radical, the country can expect. We are now offered a practical and immediate solution of this great problem. To refuse this is to postpone the hopes of the country indefinitely. For one, I accept it as the only possible hope for adjustment. I express no opinion as to the justice or injustice, the rights of the company or the interest of the people in reference to a restoration of the incompleted Cascade branch. It is enough for me to know that the pending proposition will bring success if accepted by us.

Should this House decline this last alternative, let us hear no more eloquent panegyrics about the rights of the people. Such flimsy pretenses can no longer deceive. The country can well say, "The voice is the voice of Jacob, but the hand is the hand of Esau."

The majority of the Public Lands Committee of this House have so far persistently declined to submit as an independent proposition the forfeiture of the 214 miles of Northern Pacific land grant between Wallula and Portland, Oreg., along the Columbia River. Here the company have never commenced operations and do not even now propose to do anything, hence the people of Oregon claim and have constantly demanded the restoration of all this grant, embracing over 2,000,000 acres, to the public domain. No construction of law or equity can even remotely favor the right of the Northern Pacific Railroad Company to retain any portion of this acreage. There is not a voice in this entire Congress sustaining such claim. The law, the facts, and public sentiment all unite in the justice of a restoration. The people along this line and the settlers—those who are the most deeply and directly interested—are clamoring for Congressional relief.

The poor man who has ventured to settle and construct his cabin in the face of the threatening and overhanging grant is in constant anxiety. The capitalist, the manufacturer, the merchant, the builder, all are forbidden to enter. The great mass of the lands are exempt from revenue support to the counties and State. The settlement and progress of the country is retarded and a great cloud has settled over this rich land belt. The people, restless and impatient at repeated delays, ask of Congress why they are denied relief. They are informed by the House committee that they can not be segregated from the general grant; that they propose to forfeit all west of Bismarck or nothing; that the lands coterminous with the completed road out of time shall fall the same as those along the line unconstructed; that a principle is involved, and they must have all or nothing.

The committee are reminded that a different principle operates in this case of a grant with a road completed out of time, and a grant or part of a grant with no road commenced or completed. If the law is not positively conceded, at least not much contention exists as to the definite status of a grant coterminous with a road constructed out of time. A discussion of the controverted question is not essential to my purpose in this debate.

As to a grant like the Wallula-Portland branch, coterminous with no constructed road, no possible doubt is advanced by any one. For this reason the action of the committee in blending the two divergent propositions in one bill and imperatively requiring that the House shall apply the same remedy in the case of both not only antagonizes a conscientious sentiment of the country, but actually jeopardizes the whole plan of forfeiture by the inconsistency and unreasonableness of the position assumed. They require the people of Oregon to suffer the indefinite withdrawal of over 2,000,000 acres of public lands, clearly and unjustly under a suspension and a great blot in the public progress, until both Houses of Congress shall be in a mood to declare a forfeiture of other lands coterminous with a road completed and in running order and furnished and with accommodations such as has few other roads in the world. Is such a discrimination just, is it statesmanship, is it even good sense? And above all is it fair dealing to the thousands of people, the pioneer and American home-seeker? Between man and man is it even honest? We can well indulge in astonishment at such a determination when the committee, when this House, when we all know that the Senate has declined to submit to a like proposition and will never consent to it.

No one can object to restoring these unearned lands in Oregon. Then in the name of right, of justice, and of fair play, why not restore this division at once? The extreme measures of the majority are not justified by the leading statesmen of the Democratic party.

By reference to the Senate report of the Judiciary Committee, on a bill providing that the Attorney-General shall institute suits for for-

feitures, we find as late as January 2, 1883, Senators Thurman, McDonald, and Garland (now Attorney-General) uniting in this language on that bill:

It is believed by the committee such a law will enable the Government to get rid of all these grants of land to railroads that are not being used for legitimate purposes or are misused, or in which no efforts are being made to build roads; and at the same time to have carried out all these grants in which the companies in good faith are trying to finish their roads.

President Cleveland uses the following language in his message on the question of land grants and subsidies:

A faithful application of the undiminished proceeds of the grants to the construction and perfecting of their roads, an honest discharge of their obligations, an entire justice to all people in the enjoyment of their rights on these highways of travel, is all the public asks, and it will be content with no less.

In accordance with this sentiment, the President only a short time since accepted the last 50 miles constructed of the Northern Pacific Railroad east of the Cascade Mountains in Washington Territory.

In considering recently the Senate amendments to House bill declaring forfeited in one bill seven grants of lands to railways in the Southern States, the House committee recommended excepting from the bill the grant to the "Gulf and Ship Island Railroad." This exception was originally added in the Senate on the ground that in this road work was commenced about one year ago and is still progressing. In the case of the six other grants no work was ever done. By indorsing this amendment the committee recognize the distinction. In the debate on the Gulf and Ship Island Railroad amendment the chairman of the Public Lands Committee said:

Every particle of information that the Committee on the Public Lands has upon the subject is that the Senate will not agree to the forfeiture of that grant now. This bill with the Senate amendment leaves that forfeiture out. It proposes to forfeit the other 7,000,000 acres, as I have said, and leaves the half million to be the subject of an independent proposition; and the Committee on the Public Lands have agreed to the Senate amendment, which leaves the question practically this: Shall we accept the seven million forfeiture and let the other remain to be determined hereafter, or will we, by rejecting the Senate amendment, lose the whole? * * * Let us then take the practical question presented, pass this bill, and hereafter take up and consider, and if proper pass, the independent bill for the forfeiture of the Gulf and Ship Island lands.

Another member of the committee [Mr. PAYSON] in the same debate said:

All the committee now asks is to eliminate that question from this bill, and declare the forfeiture of this immense body of land, as to which there is no possible question, leaving the other to be determined hereafter.

Now I ask, with the same distinction and with like reasoning, how can this same committee vindicate its action in considering adversely the Senate bill which confines the forfeiture of the Northern Pacific grant exclusively to such portions whereon no road has yet been constructed? The bill postpones for future consideration that portion of the grant coterminous with the completed road. This is "the practical question presented." The committee must be and is satisfied "that there is no possible chance of getting through the Senate a bill for the forfeiture of the 'grant west of Bismarck' at this time." Now, in their own words, where is the consistency of accepting the Senate Gulf and Ship Island road amendment, and now, on precisely the same reasons of the Senate, refusing to concur in the Senate forfeiture of the unearned lands of the Northern Pacific Railroad Company? The committee can not escape the conclusion that their course is inconsistent and inexcusably unjust, and an unfair discrimination as to the Wallula-Portland grant. The opposition of a large majority of this House to the Senate bill will I fear defeat any forfeiture. By accepting the Senate bill we secure a forfeiture now of all the grant along the unfinished roads, and the same bill expressly saves any future action as to grant coterminous with constructed road. Can anything be more fair? Had we not better take part of a loaf when it is offered us? No injury can arise by deferring action as to the forfeiture along the line already constructed. For these reasons I feel it my duty to favor the Senate bill and to vote against the House bill.

THIS IS NO PARTY QUESTION.

The object of the present proposed legislation is to preserve as much as possible the public domain for homes for actual settlers. This the Senate bill proposes to do now along the unconstructed line and saves any right to do more hereafter. And this bill we can pass at this session. In the discussion of these questions the air is burdened with charges from one party against the other of extravagance and profligate waste in the disposal of the public lands. Such allusions are not called for; neither are they pertinent to the present deliberation. The record identifies both of the great parties in land-grant legislation. In their platforms they each favored aid to the Pacific railroads. In Congress we know that these grants passed by the votes of both parties. The record of the Republican party being more familiar to the public as it is the more recent, we are reminded that while in the majority immense grants of lands were voted away by it. But what do we find on the other side? Up to 1860, before the advent of the Republican party to power, over 48,000,000 acres of land had been voted away for railroads. The grant to the Illinois Central Railroad Company, embracing not mountains, as chiefly in Montana and Idaho, but the finest lands on the face of the earth, was passed largely through the earnest efforts of such distinguished Democrats as Stephen A. Douglas. Though far less in quantity, it was worth more than the entire grant to the Northern Pacific Company. There were also numerous other grants made, such as in Mississippi, Alabama, Florida, Louisiana, Arkansas, Missouri, Michigan, Wisconsin, and Minnesota. Large grants were also voted Indiana, Ohio, and other States for canals.

In addition to these, 75,000,000 acres were voted to various States as swamp lands, and then largely parceled out to syndicates and jobbers. But of all systems permitting speculation in public lands the cash entry was the worst. Here there was no limitation in amount. The great speculators of the country, as soon as lands were proclaimed for sale, rushed to the land districts and there purchased at $1.25 per acre all they had the money to pay for. In this way some of the most fertile lands of the Western and Middle States were secured and held for many years awaiting exorbitant prices. Numerous attempts were made to repeal these laws and restrict sales to actual settlers, but were invariably voted down. Public sentiment was fast changing. In 1852 the cry of free homes for free men resounded over the nation. In a national convention of the Free-soil Democracy, held in Pittsburgh in 1852, in which John P. Hale, of New Hampshire, and George W. Julian, of Indiana, were nominated, respectively, for President and Vice-President, there was adopted in the platform a resolution declaring that the public lands of the United States "should be held as a sacred trust for the benefit of the people, and should be granted in limited quantities, free of cost, to landless settlers."

In every national campaign this forms one of the leading questions. Resolutions and petitions were being submitted to Congress at every session from all parts of the nation. The population was increasing at a marvelous rate. The demand for homes was the demand of the hour. Forming in the East, the great column was already moving to the wide expanse of forest and field of the unoccupied West. The public demand finally culminated in the introduction of a bill in Congress February 1, 1859, entitled "A bill to secure homesteads to actual settlers on the public domain." Various tactics were resorted to in order to defeat it. A motion to lay on the table was lost—yeas 77, nays 113; and the bill passed—yeas 120, nays 76. But one of that House is in this, and he a prominent leader on the other side of this Chamber, and now always ably defending the settler, but then I am sorry to find voting to defeat the homestead bill. In the Senate the consideration of the bill was defeated. In the next Congress the attempts were renewed, and on March 12, 1860, the bill passed—yeas 106, nays 67. Being amended in the Senate, it likewise passed that body.

In all its struggles its warmest defenders were of the North and West. It met its death at the hands of James Buchanan, who justified his veto on the ground that it was unconstitutional; that it was unequal in its operation among settlers; that it was unjust to old soldiers, as it reduced the market value of their land-warrants; that it was confined to one class of people, or, in his own words, "it is a boon expressly conferred upon the cultivators of the soil;" that it is unjust to the old States of the Union; that it would open one vast field for speculation; that it would be open to foreigners on declaring their intention to become citizens; that it would reduce the revenues of the Government; that it would "go far to demoralize the people and repress this noble spirit of independence; that it might introduce among us those pernicious theories which have proved so disastrous in other countries." These were the sentiments expressed by the last Democratic President previous to Mr. Cleveland in apology for his denial of free homes for the landless.

THE PARTY THAT GAVE FREE HOMES TO THE PEOPLE.

A bill was again introduced in the Thirty-seventh Congress, and passed both branches, and on May 20, 1862, it received the willing approval and signature of the first Republican President—that poor man's friend, the immortal Abraham Lincoln. Over 60,000,000 of acres have been entered under this act, and it has furnished free homes to over three-quarters of a million voters and a population of about three and a half millions of grateful people. These exceed the population of California, Minnesota, Oregon, Kansas, Nebraska, Nevada, Colorado, and Florida—eight States of this Union! What a grand and enduring legacy from that great party of freedom to the poor and landless of the nation! A generous and thankful people have erected towering monuments of bronze as well as of marble to the memory of Lincoln, yet in the revolving circle of time these will fall prostrate and crumble in decay. But a more imperishable memorial will still survive in this glorious and monumental ordinance of the nation; and only when the lands shall have dissolved in the sea and human life shall have faded from earth, then and then only will the homestead act cease to be cherished and indissolubly united with that patriotic—that revered name—Abraham Lincoln.

RESTRICT LAND DISPOSALS.

No, sir; this is not a party question, and in view of past legislation it comes with poor grace from the one party to criticise the other for extravagance in the disposal of the public lands. Let us rather engage our thoughts and most earnest efforts in the one intelligent direction of preserving what remains as a trust fund for the landless of our common country. No higher duty appertains to-day to the Representatives of the people than this. There is no greater curse even now existing than the facility with which corporations, monopolies, and syndicates

can acquire immense blocks of public lands. And for one, I shall vote for any practical measures which will restrict this license. Whatever may have been deemed the policy and necessity of the past by the ablest statesmen of the times as to this system, the moment has at last arrived when there must be a halt. Our population is increasing at a marvelous rate. In our own day we shall behold a nation of one hundred millions, and the child is now born who will be one of two hundred millions of souls, of one nation, under one flag and under one Constitution! We look to foreign lands for scenes of overcrowded humanity, of squalor and wretchedness, of class distinction, of arrogant imperial landlordism, and of the galley-slave under the name of tenant.

Let us beware that the scene be not soon shifted to our own beloved country. A nation is strong, happy, and prosperous only in proportion as her people are the proprietors of their own homes. Such a people have a fixed interest which is ever alert for a vigilant enforcement of the municipal law. They are themselves the conservators of the peace. Behold those engaged in riot, in tumult and anarchy, and we find the landless, the idle, the unanchored of society. The pure air of home is a disinfectant to the germs of disorder and crime. It is the nursery of the patriot, the statesman, the virtuous, and the wise. The prayerful sentiment, "God bless our home," is more than a sentiment. It is a blessed realization. Home, the first, the best place on earth! Of all sweet words few leave such a lingering cadence as the word "home." Let us then so shape the legislation of the country as that we shall become as far as possible a nation of homes. To do this let us restrict the speculator and monopolist, and open wider ajar the doors to the poor man and the landless of the nation. Encourage them to pitch their tents in the forest and prairie, and when there protect them by just and impartial, yet inflexible and ready, laws, and enforce a vindication of their rights when assailed by the strong.

THE DANGERS OF ALIEN LANDLORDISM.

Profound as can be the regret that so large a portion of the public domain has been acquired by corporations, syndicates, and individual holdings, inexpressibly more painful is the fact that alien proprietorship of immense tracts of lands is permitted under our existing land system. Over 20,000,000 acres have been purchased and are now owned in large estates by various foreigners and foreign syndicates whose homes are in other nations. Is the Public Lands Committee doing nothing toward reporting a bill which shall restrict aliens holding real estate in this nation? It seems almost incredible, but it is true, that in one of the States of this Union there are two English syndicates, the one holding 4,500,000 acres and the other 3,000,000 acres. Seven million five hundred thousand acres of American soil in one State owned by British land monopolists! In Florida Sir Edward Reid owns 2,000,000 acres. In another State the Marquis of Tweedale Land Company of London owns 1,750,000 acres. Lord Dunmore owns 100,000 acres, Lord Houghton 60,000, Lord Dunraven 60,000, Duke of Sutherland 425,000, Phillips, Marshall & Co., of London, 1,300,000 acres, and so on. Is the committee insensible to these ominous facts?

Much of the time of this Congress and the labored efforts of the committee have been spent in modifying or repealing the pre-emption law so as to restrict American citizens to the limit of 160-acre holdings, and that only under the homestead law; and yet the doors are open for English lords to prey upon the public domain of our country, secure titles to millions of rich acres of our broad lands, and here to establish their accursed tenantry system. We express cordial sympathy for the oppressed of Ireland and denounce in fiery tones and with warlike gestures the tyrant oppressor, the English landlord. With strange inconsistency we invite the same oppressor to our own soil, convey estates of millions of acres into his lordly hands, and then deprive the poor, daring American settler the privilege of securing 320 acres of land by actual settlement on the remote frontiers of his own country! This may seem right to the committee, but to me, sir, it seems like such an atrocious discrimination against our own people and such an alarming admonition to the nation that I deem it high time loud voices were raised against the further continuance of such a system, and, Mr. Speaker, this is the time and this is the place.

In our own nation experience has already demonstrated that large estates acquired in one generation seldom survive the second, and furthest the third or fourth, but under the conditions of English aristocracy, where the rules of primogeniture encourage and great and long-hoarded wealth permits the holding of unbroken estates for indefinite periods, we can easily conceive the difficulties which must ultimately arise from this unpolitic, unrepublican, extravagant, and dangerous license in a free country.

In Ireland over half a million people are tenants under certain English lords, and yet Ireland is about the size of Indiana. Of the people themselves only 68,716 own land, and yet 36,141 of those own less than one acre each. Only 1 man in 79 owns any land, while in the United States 74 per cent. of the farmers own their own land. So rapidly have the lands of England become released from small holdings that now 523 persons own one-fifth of all England and Wales. One-third of Ireland is owned by 292 persons.

This tendency must soon manifest itself in our own nation, if already it does not exist. We find that in 1880 over one million American farms were tilled by tenants. There are between five and six million people engaged in agriculture who have no proprietorship in the land tilled. We read of the barons of the Middle Ages, of their immense estates, and their arbitrary power and exclusive domain, but we have only to refer to Texas, Colorado, Wyoming, Dakota, Montana, and Indian Territory to find their prototypes in the rich and lordly cattle kings, monopolies, and syndicates who are supreme masters of millions of acres of the grassy valleys and water courses of the surveyed and unsurveyed lands in wide ranges.

Maria Hunter.

SPEECH

OF

HON. ROBERT SMALLS,

OF SOUTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Friday, July 30, 1886,

On the bill (H. R. 7167) for the relief of Mrs. Maria Hunter.

Mr. SMALLS said:

Mr. SPEAKER: In the consideration of the pension claims passed by this Congress and vetoed by the President I have thus far remained silent and should have continued so, contenting myself with the expression of my opinions by the vote I should feel constrained to cast; but having introduced this bill and the peculiar relations I bore to this distinguished soldier and patriot for whose widow this bill provides, I would be doing injustice to myself, injustice to history, and an unpardonable injustice to my constituents, constituting most largely that race of American citizens of which I am one, if I longer remained silent or neglected as a member of this body to state the reasons why this bill should become a law notwithstanding the objections of the President.

Mr. Speaker, it is due the beneficiary of this bill that I should say that it was introduced without consultation with or knowledge on her part. I knew it was the custom to pension the widows of eminent soldiers, not so much because of the necessities of their condition but as the grateful tribute of a country saved by their heroism and valor.

During my service in Congress I had invariably voted for such bills. With pride and pleasure I favored the pension to the widow of that magnificent soldier and courtly gentleman, General Hancock, whose death was lamented throughout the land. Who to-day regrets that legislation? Who to-day would not have been indignant at so ungracious and unpatriotic an act as a veto? It was the nation's tribute to the heroic dead. He was the country's pride while living, and it is just that his bereaved widow should be the nation's ward; and actuated by these sentiments I felt that the claim of General Hunter's widow had been forgotten or neglected, and therefore introduced this bill.

I knew, Mr. Speaker, that the pittance of $50 per month was more than would have been allowed by existing law, and yet fall far short of a proper estimate of the eminent services rendered by General Hunter during a long, eventful, and illustrious career, but it was an expression of national gratitude, and it accorded with the almost universal precedent of the Government since the close of the war. So just and meritorious was the claim regarded by the Committee on Pensions that it was unanimously reported and passed both Houses without criticism or opposition.

Mr. Speaker, to me and to my people the circumstances surrounding this case are singularly exceptional. Less than a quarter of a century ago that class of which I am a representative were "hewers of wood and drawers of water." Our importance seemed to consist in the money value we represented. Ownership in our blood and of our labor had long existed. Our lives were one long eternal night, not even an occasional silver lining in the sky of our existence to bid us hope for a brighter future or a happier day. The convulsion of 1861 aroused our minds to active thought and operation and bade us hope for a more useful and grander experience in the affairs of life. We heard words of hope even amid the din of battle and the clash of arms. We were told and began to realize we were human beings made after God's image, and possessed of the same inalienable rights attaching to other citizens of a great and free Republic.

Mr. Speaker, we are not an ungrateful nor unappreciative people. We can never forget the Moses who led us out of the land of bondage, and when the following order was issued it sounded like silver bells upon our startled ears.

[General Orders No. 11.]

HEADQUARTERS DEPARTMENT OF THE SOUTH,
Hilton Head, S. C., May 9, 1862.

The three States of Georgia, Florida, and South Carolina comprising the military department of the South having deliberately declared themselves no longer under the protection of the United States of America, and having taken up arms against the United States, it becomes a military necessity to declare them under

martial law. This was accordingly done on the 25th day of April, 1862. Slavery and martial law in a free country are altogether incompatible. The persons in these three States, Georgia, Florida, and South Carolina, heretofore held as slaves are therefore declared forever free.

DAVID HUNTER,
General Commanding.

ED. W. SMITH,
Acting Adjutant-General.

Mr. Speaker, these were immortal words. Then and there freedom unfurled her standard to the air. A new inspiration was imparted to us; a new heaven was opened to our vision. The horrors of the slave-pen and the auction-block began to diminish. All honor to such sentiments coincided with by General Frémont in his famous proclamation of freedom that became the bugle blast of universal emancipation. Nor was this a vain and ineffectual order. It had its birth in a natural love of liberty developed by the necessity of the circumstances. That it was faithfully enforced is demonstrated by the following order:

HEADQUARTERS DEPARTMENT OF THE SOUTH,
Port Royal, S. C., August 1, 1862.

The bearer, Prince Rivers, a sergeant in First Regiment South Carolina Volunteers, lately claimed as a slave, having been employed in hostility to the United States, is hereby, agreeably to the law of the 6th of August, 1861, declared free forever. His wife and children are also free.

D. HUNTER,
Major-General, Commanding.

Mr. Speaker, Generals Hunter and Frémont were freedom's pioneers; and so far advanced were they that their proclamations failed to command the approval of freedom's martyred President. Ere long, however, he became alive to the great issue involved, and added to the efforts of his generals the great weight of his mighty brain and grand Christian heart.

Mr. Speaker, I might stop here and rest our obligation to General Hunter on the record already made; but as an additional reason for our gratitude and as cumulative evidence of his sense of justice I call attention to the following:

At Fort Pulaski, Georgia, the following general order was issued by command of Maj. Gen. David Hunter, United States Army:

"All persons of color lately held to involuntary service by enemies of the United States in Fort Pulaski and on Cockspur Island, Georgia, are hereby confiscated and declared free, in conformity with law, and shall hereafter receive the fruits of their own labor. Such of said persons of color as are able-bodied, and may be required, shall be employed in the quartermaster's department at the rate heretofore established by Brig. Gen. W. T. Sherman."

General Hunter also addressed to Mr. Pierce, the Treasury agent in charge of the Sea Island plantations, a letter asking for "the names of the former owners and the number of persons formerly held to involuntary service," in charge of the Government agents. On receiving this information it is the intention of General Hunter to afford said owners a reasonable time to prove their fealty to the Government, and then in case of their failure to do so, and upon sufficient proof of their treason, he will at once restore these slaves to freedom.

Mr. Speaker, I will not stop to recite acts of personal beneficence and kindness practiced by General Hunter toward the down-trodden of my race. They were made without parade or ostentation. His relief of the needy, his education of the ignorant, and his encouragement of the oppressed have made his name and his memory dear to every colored man's heart, and they regard with much regret this denial of that justice to his widow which with lavish hand has been extended by this Congress to so many others, and that, too, with the assent of the President. To me, Mr. Speaker, the rejection of this bill is full of significance. No one challenges the brilliancy of General Hunter's record during his forty-four years of active service, including two great wars and several intermediate Indian wars, as appears from the following record:

WAR DEPARTMENT, ADJUTANT-GENERAL'S OFFICE,
Washington, D. C., March 20, 1886.

Statement of the military service of David Hunter, late of the United States Army, compiled from the records of this office.

He was a cadet at the United States Military Academy from September 14, 1818, to July 1, 1822, when he was graduated and appointed second lieutenant Fifth Infantry; promoted first lieutenant June 30, 1828; appointed captain First Dragoons, March 4, 1833; resigned July 4, 1836; appointed additional paymaster November 13, 1841; vacated appointment as such March 14, 1842, having been appointed major and paymaster United States Army from that date; appointed colonel Sixth United States Cavalry, May 14, 1861; brigadier-general United States Volunteers, May 17, 1861, and major-general United States Volunteers, August 13, 1861; honorably mustered out of the volunteer service January 15, 1866; retired from the active service with the rank of colonel July 31, 1866.

He was brevetted brigadier-general United States Army, March 13, 1865, "for gallant and meritorious services in the battle of Piedmont and during the campaign in the valley of Virginia," and major-general United States Army, March 13, 1865, "for gallant and meritorious services during the war."

He joined his regiment in January, 1823, and served therewith in Minnesota to April, 1825; on leave to November, 1825; with regiment in Minnesota and Wisconsin to October 23, 1827; on leave to April 15, 1828; with regiment in Minnesota to June, 1828; at Jefferson Barracks, Mo., to October, 1828; at Fort Dearborn, Ill., to May, 1831, and at Fort Howard, Wis., to June 28, 1831; on leave to June, 1832; with regiment at Forts Winnebago and Howard, Wis., to April 18, 1833, when, having been appointed captain First Dragoons, he left to join that regiment and served therewith at Jefferson Barracks, Mo., to November 20, 1833, and in the Indian Territory and Kansas to January 20, 1836; on leave to July 4, 1836, when he resigned.

He served in Florida from date of reappointment in the Army as additional paymaster until April, 1842; at Washington, D. C., to June, 1842; in Arkansas to July, 1846; in the war with Mexico to July, 1848; at New Orleans, La., to March, 1849; at Washington, D. C., Detroit, Mich., and New York city to May, 1856; in Kansas and Saint Louis, Mo., to February, 1861; and at Washington, D. C., to date of appointment as colonel Sixth United States Cavalry.

He served as a brigade and division commander in the Department of Northeastern Virginia (General McDowell's army) from May 28, 1861, to July 21, 1861, when wounded in action at Bull Run, Va.; commanded first division of the Western Department from September 23, 1861, to November 3, 1861, the Western Department to November 19, 1861, the Department of Kansas to March 11, 1862, and the Department of the South from March 15 to August 22, 1862; on leave to September 23, 1862; member of a military commission at Washington, D. C., to January 20, 1863; commanding Department of the South to June 12, 1863; on special duty at Washington, D. C., to March 29, 1864; awaiting orders to May 19, 1864; awaiting orders to January 31, 1865; on special duty and awaiting orders to muster-out of volunteer service January 15, 1866; on leave of absence to July 31, 1866, when he was retired at his own request, being over sixty-two years of age (act July 17, 1862).

He served as a member of the special claims commission from August 9, 1866, and also of a board for the examination of cavalry officers to June 16, 1868, from which date he was unemployed until he died, February 2, 1886.

R. C. DRUM, *Adjutant-General.*

Can it be that there is secret and sinister motive either personal or political? Is it because of his hostility to slavery before and during the war? Is it because of his proclamations freeing the slaves? Is it because of his official action as a member of the court-martial that tried and convicted Fitz-John Porter for treason to a government which General Hunter aided to preserve? Can it be that this is your revenge for all his patriotic conduct? Mr. Speaker, the future historian of this country's legislation will not be charitable toward you for your treatment of this bill. But after all the action of the Democratic party in this House is not without a useful lesson. It exposes the hypocrisy of its assurances of friendship for the colored man by striking a blow at the nation's brave defenders and the colored man's best friend.

Mr. Speaker, I trust I may be excused in referring to my personal intercourse with General David Hunter. After the surrender by me of the confederate steamer Planter to the United States naval authorities, then under the command of that noble gentleman and splendid officer, Admiral Dupont, I met General Hunter, then in command at Hilton Head, S. C., where he had organized a regiment of colored troops. Not having been authorized to do so, they were disbanded. I was then intrusted by General Hunter with a letter to our country's great War Secretary, Stanton. Proceeding to Washington I was honored with several interviews with President Lincoln and Stanton, and from them bore an official letter to General Hunter authorizing the formation and mustering in of several regiments of colored soldiers. Their records are part of the country's history which I need not repeat here, further than to say that as we were faithful to the Union then we will be true to its defenders now.

Mr. Speaker, by the variations and methods of modern politics, my race of upward of seven millions of people are represented on this floor by the honorable gentleman from North Carolina [Mr. O'HARA] and myself. How long this injustice will be tolerated I will not dare to prophesy; but so long as one of us be permitted on this floor our voice and our vote will not be withheld from any measure of legislation which will add to the prosperity and happiness of all the people, without regard to color or condition, and the permanence and greatness of a common country.

Interstate Commerce.

SPEECH

OF

HON. THOMAS RYAN,

OF KANSAS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 21, 1886,

On the bill (S. 1532) to regulate commerce.

Mr. RYAN said:

Mr. SPEAKER: I want to say a word. The subject of regulating interstate railway traffic by Federal law has been a theme of discussion in both Houses for several years. The demand for such legislation has been and is still pressing. In the past both Houses have legislated upon it. The House had its scheme of control. The Senate had a different plan. The House said to the Senate, Take our plan or nothing.

The Senate said to the House, Take our scheme or nothing. The result has been nothing. Neither body seems in the past to have had so much regard for the public interest as for some supposed partisan advantage that might result to one party or the other from the adoption of one plan or the other. Neither body seemed willing to make concessions to the great principle of legislative control. Neither body seems to have been willing to make such concessions as would crystallize that great and important idea into public law.

There never has been any Federal legislation upon the subject. Therefore any law we may enact must be more or less tentative—to a greater or less degree an experiment. No plan may be expected to be perfect as first formulated. The operation of any law we may enact is likely to develop imperfections. They can be corrected from time to time as experience may demand. Therefore it would seem to be the plain duty of both Houses to come together on this important subject in a spirit of mutual concessions, having in view the primary importance of the assertion by law of Federal control.

The salutary influence of any rational scheme of legislative control, it being the will of sixty million of people, constitutionally formulated into law, would be productive of incalculable benefits to the people of this country. And yet in the past the two Houses seem to have been influenced less by a consideration of that principle than by some supposed partisan advantage to be gained on the one side by the Senate and on the other by the House.

Has not this thing been going on until the people have become doubtful about the sincerity of either body? How much longer will it continue? I prefer the Cullom or Senate bill. If I can not have that, I will take the Reagan or House bill with all its imperfections. I shall vote for the Cullom bill for first choice; failing in that I shall vote for the Reagan bill, confident that some of its most objectionable features will be removed or modified in conference.

The iron-clad provision of the Reagan bill in regard to long and short hauls is likely to be hurtful to the extreme West, should it become a law. In this respect the Cullom bill is preferable. This bill leaves that subject to the discretion of the board of commissioners. The surplus products of the West are subject to the long-haul rates. These are by all odds more favorable than the short-haul rates. The tendency of the Reagan bill is to increase long-haul rates and decrease short-haul rates. The Cullom bill will leave the board of commissioners the fullest discretion to protect the West in this regard.

In regard to long and short haul rates the railroad commissioners of my State, in their annual report for 1883, say:

The cost of hauling a train-load of freight between distant points is much less than is the cost of hauling a similar load a much shorter distance, when the train must make frequent stops to deliver freight at way stations. Besides the loss of time by detentions on the way, which will consume at least one-third of the time in transit, the extra labor involved in frequent switching, unloading cars, and the loss of haulage on that part of the train dropped out at places not remote from the initial point, are elements that greatly swell the cost of this part of the service.

In addition to this, the roads east of the Missouri River, besides the local traffic that is tributary to their lines, transport over them the great volume of commerce that is gathered from the States and Territories west of the Missouri River by our local roads. There are local causes for lower freights east of the river than can, in the present condition of things, be reasonably expected over roads west. The traffic coming to railroads bear a pretty uniform ratio to the number of population to each mile of railroads in operation. In the State of Illinois the ratio is 367, in Missouri 489, and in Kansas 259, to each mile of railroads in operation in each State respectively.

If local and through rates were equal and uniform over all the roads in the country, irrespective of distance and the other elements of cost of the service, the through rates upon the surplus productions of the West would be enhanced to a figure that would consume the whole of the profits of the Western farmer. As it is, the low through rates for long distances enables the Western farmer to derive from the capital invested in Western lands a profit equal and in many instances greater than the Eastern farmer.

In the report of the select committee of the United States Senate upon transportation to the seaboard there is copied a table showing the decreasing cost per ton as the distance increases, which we will transcribe here for illustration:

The regularity of decrease in rates charged corresponds with a general law governing all railway service, namely, cost of loading and unloading, and fixed expenses being the same, whether the trip is long or short; cost of transportation per ton per mile regularly decreases as distance increases, being cost of hauling plus fixed cost, divided by the number of miles. Thus, if cost of loading and unloading be 33 cents, and other items of fixed cost 27 cents per ton, the actual cost of haulage (maintenance of track, repairs, &c., included) being eighty-three one-hundredths of 1 cent per ton per mile, the cost of different distances will be 83+60 cents divided by distance.

The committee go on to say:

Now, if it actually costs 6.83 cents per ton per mile to transport freight 10 miles and only eighty-nine one-hundredths cents to carry it a thousand miles, it is evident that a law establishing equal mileage rates, without regard to distance, would prove a failure, because of its manifest injustice both to the public and to the company. The enforcement of such a rule of charges, instead of bringing relief to the producers in the distant interior of the continent, would add very largely to their present burdens. The average rates for transporting all freights on the leading trunk lines between Chicago and New York in 1872 was about 1¼ cents per ton per mile, which on the bushel of wheat would amount to about 44 cents.

The actual average charge by rail per bushel that year was 33.5 cents. Hence an equal mileage rate on those lines, if adjusted upon the basis of their average charges, would have reduced the value of the 213,000,000 bushels of wheat and corn moved that year about 10 cents per bushel, amounting to an aggregate loss to producers of $21,300,000, with no compensating gain to consumers. And as the price of wheat and corn at the West, as well that part which remains at home as that which is sent abroad, is fixed by the market price in Liverpool, less the cost of transportation, the loss to the Northwestern States on the entire crop that year (estimated at over 1,000,000,000 bushels) would have amounted to the enormous sum of $100,000,000.

A permanent reduction of 10 cents per bushel on the value of the cereal crop of the Northwest would reduce the value of the farms in that section by an amount which would build and equip all the trunk lines of railroad from the interior to the seaboard.

The provisions of the Reagan bill are rigorous enough, but it leaves all violations of them to be prosecuted by individuals at the peril of paying costs, expenses, &c., if they fail. Individuals will prefer to suffer considerable unlawful injuries rather than engage in interminable litigation with a powerful corporation who may protract such litigation for many years. In this respect the Cullom bill is preferable. It organizes a board of commissioners consisting of five members to see the law is faithfully executed. The injured party is not left to cope alone with associated capital, but he has only to inform the board of the violation of law by the railway company and the board enforces the remedy. The board is the embodiment of the law. It is the tribunal that voices the law—voices the will of the people of the whole nation. No railway corporation is likely to disregard its orders; no railway corporation could afford to defy its just demands. The rights of the individual are protected by this plan without serious inconvenience or cost to him.

Again, it is probable the two Houses will disagree. The subject will again be thrown into conference. I can only express the hope that a due regard for the public interest will move the conferees to mutual concessions to the end that this Congress shall by law assert legislative control over interstate railway commerce.

Alien Landholders in the Territories.

SPEECH

OF

HON. JOSEPH K. TOOLE,

OF MONTANA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, July 31, 1886,

On the bill (H. R. 3289) to restrict the ownership of real estate in the Territories to American citizens, &c.

Mr. TOOLE said:

Mr. SPEAKER: Upon the general principle that American soil shall be owned by Americans I am in full accord with the views of the committee. Public policy and expediency, however, in my judgment, do not demand the extremity to which this bill goes. It provides as follows:

Be it enacted, &c., That no non-resident alien or foreigner, nor any resident alien or foreigner who has not declared his intention to become a citizen of the United States, nor any corporation or association where, at most, one-tenth of its stock or right of property is owned or controlled by aliens or foreigners, shall acquire or own, hold, or possess, by right, title, or descent accruing hereafter any real estate in any of the Territories of the United States: *Provided*, That the provisions of this act shall not apply to the real estate necessary for the construction and operation of any railroad.

It will be observed that its provisions are sweeping and comprehensive, and cover all mineral as well other lands. The principle upon which this bill rests finds its support and exposition in the following language from the report of the Public Lands Committee, to which the attention of the House is directed:

The Committee on the Public Lands in this Congress, as well as in the last, is thoroughly committed to the policy of so adjusting and administering our public-land system that the agricultural lands of the nation shall be parted with, without cost, to be held in small tracts by actual settlers only, for the purpose of cultivation by the owner, securing thereby the thrift of the citizen and economy in his management which ownership always stimulates.

This policy, we submit, should become the national one.

The experience of so many thousands of our people in the securing of homes on our vast area of public lands has been so successful that the desire for ownership of a home capable of producing support for the family is more universal here than in any country in the world.

It was the prevalent idea when the homestead law was passed—one of the most beneficent acts ever adopted by Congress—that it was the duty of the Government to furnish to its people cheap homes; to aid the actual settler whose labor would make the land fruitful and productive, giving added wealth to the locality, and stability and strength to the country; and it had the great, magnificent possession, the public domain of that time, which under proper management would have afforded such grand results for generations to come.

But different counsels prevailed and a different course was followed. Areas of land sufficiently large to make great States were donated with a reckless liberality, indeed prodigality, to railroad and other corporations, and by a lax, easy administration of injudicious laws men of wealth and companies have been improperly, illegally permitted to acquire other great areas of the public lands, until now, out of the vast empire of territory we had at its beginning, this generation has seen it so reduced that less than 5,000,000 acres of arable, agricultural land—upon which crops can be raised without irrigation—remain for the settler under the general laws of the United States, and about 50,000,000 acres only of lands susceptible of improvement by irrigation.

These lands are becoming more and more valuable, year by year; and tempted by the promise, sure to be realized, of immense profits, as well as the absolute security of the investment, these lands, by devious methods in many cases, have been secured in great areas and holdings by capitalists and corporations, foreign as well as domestic. In the hands of many of these foreign owners and holders these lands are made subject to a system of landlordism and conditions totally un-American, and kindred to that existing in the Old World, systems and conditions that have spread ruin and misery wherever they have existed in Europe. Besides this, out of the heritage of the American people, the common property of the nation, its public lands, we are at present permitting the coining of immense private fortunes in the hands of foreign nobility and gentry at the expense of our own people, and giving these foreigners the control of the homes and happiness of thousands of citizens, or those who have come here to identify themselves with us.

Every argument or suggestion deducible from the foregoing pertains to the agricultural lands of the United States. It is designed to prevent the concentration of estates in the hands of the few and the wealthy, estates which by improvement and the lapse of time are enhanced in value.

I contend that the same rule which applies to this character of estates and the reason for its adoption and enforcement does not apply to our mineral lands.

In the first place, it is difficult to acquire large estates of this character by reason of the fact that the Government will not part with the

title to any greater amount than 20 acres to one individual, and the result is that such lands are never held in unnecessarily large quantities by individual or corporate purchasers.

Secondly, this character of land can never subserve any purpose of a home. It is barren and unproductive of food products and valuable only for the mineral it contains.

I submit that there is nothing in the argument of the committee which justifies extending the provisions of this bill to the mineral lands. The best part of my life has been spent in a mineral country, and I know how fatal to the development and prosperity of the mineral regions the passage of this bill will be. Territories which to-day boast of their inexhaustible mineral resources and furnish employment to hundreds of thousands of men would be trackless, unproductive wastes if it had not been for foreign capital. They have invested, developed, and reaped where we would dare not, and thus stimulated and advanced our material prosperity. This is the experience of every mining region in this country. The inhibition proposed is unwise, inexpedient, and not justified by any past, present, or threatened danger.

The development and explorations of our mineral resources require an outlay of vast sums of money—sometimes millions of dollars before a dollar is received in return. These great enterprises are of too great magnitude to entice private capital, and home capital, always timid, seeks less hazardous investments. Our mine-owners, who have been unable to prosecute their development, have uniformly turned to Europe, where accumulated capital has ever been willing to take some chances in the purchase and development of such properties.

But why is it that such restrictive legislation is saddled exclusively upon the Territories of the United States? If this is good and necessary legislation, why is it not made applicable to the District of Columbia? No question of State rights is involved, and the same reasons which apply to the Territories pertain with equal force to the District of Columbia. If this measure becomes a law it ought to be perfected so as to include the District of Columbia within its operation, and the following amendment should be added:

Provided, That this act shall not be construed to apply to mineral lands.

Repairs to the Treasury Building.

SPEECH

OF

HON. JOHN M. GLOVER,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 28, 1886,

On the amendment of the Senate to the sundry civil bill appropriating $67,000 for repairs to the Treasury building.

Mr. GLOVER said:

Mr. CHAIRMAN: The necessity for some immediate remedy to be applied to correct the evils arising from the defective sewage and plumbing of the Treasury building is apparent to any one who ever visited that building. It is one of the oldest Government buildings in the District of Columbia, and all of its sanitary arrangements and appliances are of the most ancient and primitive order. There are no scientific or modern means for its proper ventilation, such as forcing out the impure air in any manner and forcing in the pure air, such as are now very generally employed in public buildings, and especially new ones.

To keep pure the air of this room, in which little over three hundred members are congregated when all members-elect are present, an elaborate and costly machinery, requiring the services of a considerable number of engineers and workmen, is constantly in activity. But no such appliances exist in the Treasury building, into which are crowded, breathing over and over again the same contaminated atmosphere, two thousand employés.

My own attention was called to the bad sanitary conditions there by the illness of an acquaintance who was an employé. Inquiry disclosed that the air he breathed was positively putrid. Foul gases flow into the building from the half-open sewers which would extinguish a miner's safety lamp. Sewer-pipes run under the corridors in the sub-basements of the south and west wings, the air ducts above which have not been cleaned for a decade. These breed pestilence and death, the wind blowing the effluvia from the sewers directly into the breathing area of the hive of human beings which crowd the small and unventilated rooms. In the composing-room of the printing office there is a distinct stench when it is opened for work in the morning. That not only means disease, it means languor and listless and ineffective labor. A sewer-trap pours its deadly exhalations into the same room. The sunlight, it is said, never strikes there except for a day or two in midsummer.

One of the most conscientious and effective men ever connected with the Treasury Department, Mr. E. B. Youmans, the chief clerk, made in the early part of this year, at the request of the Secretary of the Treasury, a report on this subject which I will now read:

TREASURY DEPARTMENT, OFFICE OF THE CHIEF CLERK,
Washington, D. C., March 26, 1886.

SIR: Directed by you to examine as to the necessity of and plans for the ventilation of the Treasury building, I beg leave to make the following statement and report:

In my judgment, the subject demands immediate attention and some speedy and certain remedy. I found a state of affairs in the south and west wings of the building that is deplorable and dangerous and should exist no longer.

Sewer-pipes run underneath the corridors in the sub-basement of the wings named, and I am assured that the air-ducts above them have not been cleaned for at least ten years. Their appearance, so far as I was able to observe, would bear out such an assurance. From the top of the sewer-pipes to the air-ducts there is a space of about 10 inches, mostly filled with earth, pieces of brick, and other *débris*, left there when the pipes from the boilers or for other purposes have been introduced. There are breaks in these sewer-pipes from which the gas is constantly escaping and permeating the entire building. This is always noticeable, but when the wind is in the south or southwest it is oppressive and dangerous. It is impossible to locate these breaks in the pipes unless the pipes are entirely uncovered, as the gas may not escape into the air-ducts through the earth and *débris* for many feet from where they are.

In my examination of the matter there was one spot, and that near a grated opening into the corridor itself, where the candle I was using was extinguished by a strong draught of foul air, which was forced into the building through crevices in the sewer-pipes by a southwest wind.

I would recommend that the whole of these sewer-pipes be uncovered with as little delay as possible; that the breaks be found and stopped, the pipes whitewashed, and the air-ducts kept free from earth and rubbish.

In the northeast corner of the building there is a pipe connected with a trap in the sewer, put there for the purpose of ventilating the sewer. This pipe does not work, being imperfect and broken in a number of places. The gas comes out from it into the elevator stack, and is sometimes exceedingly oppressive.

The effect of these defective sewer arrangements is observable all over the building, but most especially in the sub-basement corridors in the south and west wings and the rooms leading therefrom. Workmen engaged in all of these rooms complain of the foul air and of the injury to health from working there. This is especially so in the rooms occupied by the printing office, where there are employed upward of one hundred men and women. In the composing room there are forty-six men employed, and the effect of the bad air and lack of ventilation is plainly observable in them. In the morning when the room is first opened the stench in it is intolerable. To add to its own lack of ventilation there is, not far from it near the northeast corner of the inner court, a sewer-trap, the odor and gas from which penetrate into the room. The sunlight never strikes there except for a very brief period in the summer time.

Heretofore illuminating gas has been used at all hours over every case, adding to the discomfort of the situation and making the room toward the close of the day unbearable. The introduction of the electric light in the place of gas has been a great relief in this respect, reducing the temperature 20° to 28°.

An effort was made to procure some ventilation in the room by means of apertures in the windows, easily regulated, but it failed to work satisfactorily, causing a draft, and two employés died, their deaths being clearly traceable to these openings in the windows.

In the press-room, where illuminating gas is still used, the absence of any ventilation is very perceptible, and the effects are more pronounced for evil than in the composing-room. In the folding-room, where eight female folders are employed, the situation is still worse. In the press-room there is an average of two a day who are ill from the effects of the bad air, and in the composing-room the proportion was about the same until the introduction of the electric light. At the time of this writing there is one employé of the composing-room who is in a serious condition, brought on by breathing the foul air of the place where he has been at work. Within the last few years, some thirteen employés of the composing-room have died, their deaths clearly traceable to the noxious air that they breathed daily.

The foreman of the office, Mr. P. Louis Rodier, said that in the twenty years of the occupancy of his position he had lost by death 1¼ per cent. of his force. He attributed this large proportion to the lack of ventilation in the rooms where the employés worked. He himself thought that had he been confined in his work to these rooms, and not compelled, by the duties of his office, to be stirring about, even with an iron constitution such as he has, he would have been dead years ago. As it is, his health is impaired and he suffers from the consequences of breathing the foul, putrid air. An effort was made by him at one time to provide some ventilation for the rooms he occupies, by means of large pipes attached to the ceiling, in which there were placed openings here and there on the lower sides. These pipes were open at one end and connected at the other with the hot-air chamber in the boiler-stacks. This effort worked admirably, and kept the rooms quite decently ventilated, but it was supposed that the pipes interfered with the draft of the boilers, and the end connected with the hot-air chamber was transferred to the cold-air chamber, the draft ceased, and the pipes were of no effect for ventilating purposes.

As another instance—not a solitary one—of the effect of the foul air permeating the building I would allude to the fact that during the past winter four of the employés in one of the rooms of the Division of Loans and Currency, whose offices are situated on the first floor, in the south wing, were prostrated for a number of weeks with a sickness the origin of which, their physicians averred, was in the vitiated air which they were compelled to breathe.

These are illustrations of some of the worst features of the lack of ventilation in the Treasury building, but they are alone sufficient to emphasize the demand that something should be done to correct the great evil that more or less shows its effects all through the building. I can not too earnestly or too strongly recommend that some steps be taken toward that end, and especially that as speedily as possible some remedy should be applied to correct the evils arising from the defective and filthy sewer.

It is necessary in order to carry on the business of the Department (owing to the crowded condition of the building) to occupy these rooms named and others where the effects of the impure air are almost equally perceptible.

Further information in detail, in regard to the whole subject, may be obtained from P. Louis Rodier, already mentioned, the foreman of the printing office, and of Oliver N. Bailey, the plumber of the Treasury building.

I would also call your attention to the fact that reports on this subject have heretofore been made, and among them one by John B. Hamilton, Surgeon-General Marine Hospital Service, dated April 1, 1885, and by M. G. Elzey, M. D., professor of chemistry in the medical department of the University of Georgetown, dated March 30, 1885, on the analyses of the air in the Treasury building, copies of which accompany this, marked respectively, A and B.

No specific estimate of the cost of providing the Treasury building with complete and perfect ventilation can be made without a positive plan and a thorough examination of the excavation necessary for boilers and machinery to furnish pure air, but men experienced in such constructions have assured me that at

least $50,000 would be necessary, and in my judgment a practical and successful system of ventilation applied to the Treasury building would be cheaply attained by the expenditure of such a sum, or by half that named added to it.

Very respectfully,

E. B. YOUMANS,
Chief Clerk.

Hon. DANIEL MANNING,
Secretary of the Treasury.

My statement as to the putridity of the air and the dangerous lack of ventilation rests upon the authority of Surgeon-General Hamilton, as contained in the following letter:

TREASURY DEPARTMENT, *Washington, D. C., April* 1, 1885.

SIR: I have the honor to make the following report on the sanitary condition of the sub-basement and basement of the Treasury building, and to state that on Thursday and Friday of last week, the 27th and 28th ultimo, in company with the Supervising Architect and Mr. Green, an employé of that office, I made an inspection of all the rooms indicated. It was found that in their present condition they are unfit for occupancy, by reason of insufficient amount and impurity of the air. The human body may habituate itself to the breathing of poisonous gases up to a certain degree, without much apparent effect, which accounts for the length of time some of the employés have remained there with so little apparent damage, but the air was so bad that I deemed it necessary to have a chemical analysis made thereof by an expert, and I herewith transmit it as a part of this report. It is seen by that report, on page 2, that, while the carbonic acid in the outside air amounted to 3.40 volumes per 10,000, in the sub-basement the carbonic acid amounted to from 12 to 16 volumes, and when it is remembered that carbonic acid is in itself a deadly poison, and in sufficient amount will instantly destroy life, it can be seen how greatly vitiated this air has become.

My inspection of the place leads me to agree with Professor Ellzey in regard to the source of the contamination, namely, the aspiration of the ground-air through the bricks at the bottom of the basement and perhaps other ways, and also from combustion of the gas-burners in the rooms, and respiration of the occupants. It should be remembered that an ordinary gas-burner in a room throws off an amount of carbonic acid and consumes oxygen about equal in effect to that produced by an adult person. Not only is there a poisoning of the air, but there is a loss of oxygen in the air which is the only thing in it that sustains life, the absence or loss of which amounting, as shown by the chemist's report, to from 2 to 3 per cent. It must be apparent to you, sir, from these facts, that even if the people live in this vitiated atmosphere, their work must be much less in amount than if they were in properly ventilated apartments having plenty of fresh air. But there are other considerations. In the composing-room of the branch printing-office it is found that it is occupied by forty-two persons, and if the room were otherwise entirely empty, each person would have about 880 cubic feet of air space; but in point of fact the solid contents of the room, such as the cases, composing-stones, chases, fonts of type, and made-up forms, take up very nearly 25 per cent. of the available air-space, and the men are confined to a ration of air about one-half of that which is allowed in the construction of an ordinary prison. The air in the composing-room, the press-room, the smithy, and the corridor near where the rags are assorted is quite foul and respirable with difficulty by those whose sense of smell is not blunted by constant exposure to it.

The water-closets on the basement floor are in very bad condition. The woodwork is evidently foul from saturation with the gases of the surrounding atmosphere, and the east corridor of the basement has a very foul air, probably in large measure due to the proximity of the water-closets. The lack of ventilation is further shown by the inanimate objects in the rooms, as, in the store-room, three or four floors have been supplied within a comparatively short period, floors giving way under dry rot. This clearly shows a want of under-ventilation. The portion of the floors covered by brick and iron are damp almost throughout, and there is a marked drain smell in certain corridors. The old paper and old rags should not be allowed to be stored in the sub-basement, as they render the air foul in their immediate vicinity. The entire north corridor is lined almost from one end to the other with immense bales of old paper. The Supervising Architect will doubtless advise you of the details of the mechanical work necessary to insure proper ventilation of the building, together with his account of the present condition thereof.

In conclusion, it is proper to state that every foul room is in itself a source of contamination of the air of the remainder of the building.

Having pointed out the unsanitary condition of the building the remedy is not far to seek, namely, the removal of the employés from the sub-basement to some place where they may obtain a reasonable amount of fresh air and sunlight; and, in the second place, to ventilate the basement, sub-basement, and remove the decaying and rotten wood, introducing fresh air by means of ventilating shafts, so that the basement and sub-basement may not contaminate the remainder of the building.

Very respectfully, your obedient servant,

JOHN B. HAMILTON,
Surgeon-General, Marine-Hospital Service.

Hon. D. MANNING,
Secretary of the Treasury.

The letter of the chemical expert referred to is as follows:

1012 G STREET, NORTHWEST,
Washington City, March 30, 1885.

SIR: In accordance with your request, I have made chemical examinations of the air on three floors of the Treasury building. First, I determined the carbonic acid in outside air taken simultaneously with that taken within the building, and found, in sub-basement:

Volumes in 10,000 volumes of air.

Outside air	CO_2= 3.40
Printing-room, first floor	CO_2=16.21
Passage near door	CO_2=13.07
Press-room	CO_2=15.75
Waste-paper room	CO_2=12.89
Smithy	CO_2=16.07
Average for first floor	CO_2=14.99

I determined the oxygen at four stations on first floor:

Per cent. of air volume.

Station No. 1	O=18.00
Station No. 2	O=18.00
Station No. 3	O=17.57
Station No. 4	O=17.75
Average for first floor	O=17.83

Average nitrogen by difference, N=80.50 per cent. of air.

The average temperature of first floor, 78° F.

I determined O for outside air=20.49 per cent. of air. The general average for pure country air is about 20.79 per cent.; purest mountain air O reaches 20.99 per cent.

SECOND FLOOR, BASEMENT.

Volumes per 10,000 volumes of air.

Canceling-room	CO_2= 9.57
Passage near door	CO_2= 9.25
Ice-rooms	CO_2= 7.99
Store-room	CO_2=12.31
Passage near door	CO_2= 9.33
Average for second floor	CO_2= 9.69

Oxygen at three stations on second floor, namely:

Per cent. of air volume.

Station No. 1	O=18.96
Station No. 2	O=19.06
Station No. 3	O=19.15
Average for second floor	O=19.05

THIRD FLOOR, MAIN FLOOR.

CO_2 taken at four stations, namely:

Volumes per 10,000 volumes of air.

Station No. 1	CO_2=7.09
Station No. 2	CO_2=6.90
Station No. 3	CO_2=7.15
Station No. 4	CO_2=7.01

Oxygen taken at two stations on third floor, namely:

Per cent. of air volume.

Station No. 1	O=19.76
Station No. 2	O=19.76
Average for third floor	O=19.76

By way of explanation of these results, I invite your attention to the great increase of CO_2 on first floor, the average being 14.99 volumes per 10,000 of air as against 3.40 volumes per 10,000 volumes of air for the outside room. This increase of 11.59 volumes per 10,000 of air is due to three causes, namely (*a*) combustion, (*b*) respiration, (*c*) aspiration of ground-air into the building. Pettenkofer, Parks, and other good authorities hold that the CO_2 increase in the building representing ground-air respiration and combustion should not exceed two parts CO_2 per 10,000 of air. On this floor, then, we have CO_2 representing these impurities amounting to near six times the limit of good ventilation.

You will observe that the diminution of O=2.66 per cent. of the volume of air is much greater than represented by the CO_2 of respiration and combustion, and is certainly due mainly to the copious feeding of the air of that floor by ground-air, which is extremely poor in O.

On the second-floor basement the results are much better, but still very bad. On the first floor there is still further improvement, but the best air in that building comes far short of the requirements of good ventilation. In fact, strange to tell, no provision whatever has been made for the ventilation of the building. The process used by me for carbonic acid is the well-known process of Pettenkofer, with Regnault's correction for temperature. I have found by recent careful experience of this method that it gives very accurate results.

In determining the oxygen, I used the method by pyro-gallic acid advised by Liebig, and satisfactory and accurate in the hands of Fesemius and others. I have no doubt of the general accuracy of all results herein reported. I made fifteen determinations of CO_2 and ten of oxygen, besides test analyses, to prove the working of my apparatus.

I am of the opinion that the removal of gas from the basement floor, and the substitution of electricity for lighting, would pay in dollars and cents for the outlay four or five times a year in the improved health and working efficiency of the force there employed.

As long, however, as no direct provision is made for the introduction of abundant air supply upon that floor, the condition of the air will necessarily remain infamously bad, even if the building were not occupied at all.

The devitalization of the air is shown by my analyses to be very great, the excessive temperature, the low humidity of the air, the absence of daylight, and the large aspiration of ground air combine to exhibit a state of things unsanitary to the last degree, and in case of the advent of the germs of infective disease, indigenous or imported, the result would necessarily be calamitous in the extreme.

I do not know what the sick rate and death rate, as hitherto kept, may show, but if there were in the civil service commissioned medical officers, as in the military and naval service, whose certificate on honor is equivalent to an affidavit, I make not the smallest doubt that it would be shown that it costs the Government as much to occupy that building in five years as it would to build a new and modern one, which would scarcely be left entirely without any pretense of ventilation, except as the air may creep in by hook or by crook, by way of the ground, and through such cracks and crevices as may happen to exist.

Very respectfully submitted.

M. G. ELLZEY, M. D.

Dr. J. B. HAMILTON,
Surgeon-General, Marine-Hospital Service.

A letter on file in the Treasury Department of date May 3, 1886, from Samuel A. Robinson, inspector of plumbing for the District of Columbia, emphasizes the gravity of the situation and declares that the atmospheric conditions are simply "vile" and the sewage conditions atrocious. Says Mr. Robinson:

Notwithstanding Congress has enacted laws for the regulation of the disposal of waste from private property, which have been enforced for years with every building erected in this city, yet the most primitive methods are continued in this vast building, hazarding the health and reducing the efficiency of the Government employés.

Mr. Chairman, there is here referred to obscurely the most disagreeable phase of this whole question, and it would not be agreeable nor is it necessary to allude to it circumstantially here. It is sufficient to say that independent inquiry convinces me that the building is in a disgraceful condition demanding immediate attention, and that this House can not with a good conscience fail to make the appropriation which has been asked by the Secretary of the Treasury and ordered by a vote of the Senate.

Physicians, architects, and experts on the subject all unite in the expression of their opinion that something should be done, and done at once, to remedy the evils that are so apparent, and there should in justice be no one who would be willing to set his face against the proposed and greatly needed improvements.

As to the amount desired, it seems to be within reason. The build-

ing is a very large one and the changes required might be a little more expensive than if the improvements were being introduced while the walls were being put up, but for what is required, in my judgment, the sum is moderate, would be a wise and economic expenditure of money, and is sufficient, if expended with care, as it doubtless will be, to reach the end desired.

Treasury Surplus.

SPEECH

OF

HON. GEORGE E. ADAMS,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886,

On the joint resolution (H. Res. 126) directing the payment of the surplus in the Treasury on the public debt, to which several amendments were offered.

Mr. ADAMS, of Illinois, said:

Mr. CHAIRMAN: The amount of the available surplus which should be kept in the Treasury as an ordinary working balance or as a provision against an anticipated deficit ought to be regarded as a question of administration. It should be left to the discretion of the Secretary of the Treasury. If the Secretary of the Treasury abuses this discretionary power Congress should intervene, not by taking away this discretionary power from the Secretary and his successors, but by a resolution of inquiry or a resolution expressing the opinion of Congress as to what ought to be done at the particular time. If Congress thinks that at the present time the available surplus of $75,000,000 is too large the very most that it ought to do is to direct its reduction to $30,000,000. Something of an available surplus there always ought to be. It ought never to sink so low as to incur the danger of a deficiency even for a day. This is the opinion of the Secretary of the Treasury. He says:

> After nearly twelve months' experience in the conduct of this Department, and forecasting, as well as I am able, future requirements of the Treasury as now defined by existing law and as they may be affected by legislation yet to come, and considering the course of future receipts which are liable to influence from many causes, such as the fluctuation of imports, the prolonged depression of trade, and the marketing of more or less of our agricultural products abroad, I can not now foresee a state of things which will make it prudent to limit the surplus reserve in the Treasury to a sum ranging from nothing to a maximum of $10,000,000.

The difficulty of forecasting the future requirements of the Treasury and the course of future receipts is illustrated by a striking difference in opinion between the President and the Secretary of the Treasury in regard to the fiscal year 1887. In his annual message the President estimated that at the end of the fiscal year 1886 there would be a surplus of $70,000,000. He thereupon proposes a reduction of taxation, evidently supposing that the surplus of 1886 affords a criterion by which to estimate the surplus of following years. The Secretary of the Treasury, however, in his annual report laid before us about the same time, estimated the surplus of the fiscal year 1886 at $24,500,000. He included in his estimates of expenditures $45,750,000 for the sinking fund, which the President apparently overlooked or disregarded. But the Secretary instead of inferring that there would be a large surplus for the year 1887 estimates that if $45,659,000 were to be placed in the sinking fund there would be a deficit of $24,589,552.34. Certainly it can not be a matter of very exact calculation where there is so wide a difference of opinion between the President and his chief financial adviser.

One element of uncertainty as to the future receipts of the Government is to be found in the proposed revision of the tariff and internal-revenue laws. One of the leaders of the majority of this House, the chairman of the Committee on Ways and Means, has reported a bill for the revision of the tariff, and that bill is now on the Calendar, and under the rules of the House can be considered at any time by a majority vote of this House. Another leader of the majority, the chairman of the Committee on Appropriations, has also reported a bill for the revision of the tariff and internal-revenue laws, and that bill is also on the Calendar, and under the rules of the House can be called up for immediate consideration in the same way. It also appears that not only the two leaders of the Democratic party in this House but the Democratic administration also are in favor of a revision of the tariff. The Secretary of the Treasury in tendering his resignation to the President is reported to have declared for a tariff for revenue only, a more explicit declaration than has been suffered to escape from the lips of any leading Democrat for several years. This declaration appears to have received the indorsement of the President.

Can we say that the income of the Government is not likely to suffer a great change in the near future, when the President, the Secretary of the Treasury, and the leaders of the two wings of the majority of this House lift their voices in unison and declare for a revision of the tariff?

Moreover, to add to the difficulty of the problem, it seems difficult to determine beforehand with any accuracy the effect of such a revision upon the revenues of the Government. With regard to the revenue bill last reported by the Committee on Ways and Means, one eminent financial authority in this House declares that it will reduce the customs revenues about $8,570,576, while another eminent authority declares that it will increase them $5,500,000.

The chairman of Ways and Means, in his somewhat caustic review of the revenue bill of the chairman of Appropriations, declares that "apparently the bill was presented in the belief that a necessity existed for a reduction not of taxes but of revenues, and that the desired end is reached both through higher and lower taxes. The estimates with the bill are made on this arbitrary assumption and are entitled to no respect whatever." If the "arbitrary assumption" referred to is the general proposition that custom revenues may be reduced both by raising and by lowering the rates of duty, instead of being "entitled to no respect whatever" it is on the contrary a sound and fundamental principle of finance. If the existing rate of duty stands exactly at the revenue point, as it is called, then the revenues will be reduced by a moderate increase as well as by a moderate reduction of the rate. If the existing rate be above the revenue point any increase of the rate will diminish the receipts, while a moderate reduction will increase them. If the existing rate stands below the revenue point, then any reduction of the rate will reduce the revenues while a moderate increase of the rate will increase them. Where the revenue point is, however, in the case of any article of necessity or luxury is not to be ascertained by exact calculation beforehand. It must be determined by experiment. Take the case of steel rails for example. The rate of duty is now about $17 a ton. Suppose it were reduced to $14, as some have proposed. This reduction in the rate would undoubtedly cause a larger importation of steel rails and thereby cause a loss to American capital and labor now employed in the steel industry. It would also check the development of the new iron and coal fields of Alabama, Tennessee, and Georgia. It would not benefit the Treasury, however, unless the number of tons imported were enough larger to make up for the smaller amount of duty paid on each ton. Whether the reduction in the rate would cause so great an increase in the amount imported is not to be determined by calculation beforehand. That is to say, there is a large chance of error in all estimates of the effect of a tariff revision upon the receipts of the Treasury, and this is true whether the estimates are suggested by the chairman of Appropriations or come to us with the awful sanction of the Ways and Means.

With two revenue-revision bills now on the Calendar, one of them favorably reported by the Ways and Means Committee, and each of them alleged on good authority to represent the platform of the party which controls this House with a majority of 40; with another revenue bill likely to be reported by the same committee repealing the tax on fruit-brandies and thereby reducing the demand for tax-paid whisky; with still another bill already reported exempting small distilleries from Government supervision and thereby threatening a still further change in the internal-revenue receipts, can it be denied that we are altogether at sea as to the probable income of the Government in the near future? What wonder that the Secretary of the Treasury looks askance at the project of reducing the surplus "to a sum ranging from nothing to a maximum of $10,000,000," when he has reason to believe that the surplus of one year is likely to be swallowed up in the deficit of the next.

Besides, there is the question of expenditure. That is equally uncertain. Take pensions, for example. It is morally certain that there will be an increased expenditure for Mexican pensions, and there are some signs that even the soldiers of the Union are to receive consideration and occasion a large addition to the annual expenses of the Government. If this were not so, what motive could the Committee on Rules have had for providing for the levy of additional taxes to pay them? What could have induced the Committee on Invalid Pensions to go even so far as to suggest a return to the odious income tax which bore with full weight on the honest merchant and manufacturer and let the rogue and the speculator go free? If the action of these two committees was not intended merely as a clog on pension bills, which the majority did not dare to vote on one way or the other, then it must have been intended as a necessary provision for a considerable increase in the annual expenses of the Government.

Then there are the Navy and the coast defenses. Has not the leading Democrat of this country, whose lightest whisper is heard from Maine to California, has he not said that it is our bounden duty to make large appropriations for these purposes? He is right. It is our bounden duty not only as patriots but as business men. I read some time ago a striking remark of Sir William Armstrong in regard to the cost of the British navy. In answer to the complaint made that England had spent enormous sums in building up a modern navy and arming it with modern guns, and still had to make enormous expenditures to maintain it and to keep abreast of improvements made by other nations, Sir William said that he had made a careful computation and was convinced that all the money that England had spent on ships and guns and experiments amounted to only a very small premium of insurance against the mere money loss which England would be likely to sustain if the outbreak of war found her unprepared.

If we pay off $50,000,000 of 3 per cent. bonds we save $1,500,000 in annual interest. If we could put the $50,000,000 into a navy and an efficient system of coast defenses, the money that we should have to charge to interest and repairs would be an insignificant premium of insurance on the four or five thousand millions of property now exposed to attack in the ocean harbors of the United States. Mr. Tilden, at least, believes that to put the money into guns and monitors, instead of putting it into 3 per cent. bonds, would be not only more patriotic, but a more prudent and business-like investment than the other. It is true that the majority of this House refused the other day to concur in a Senate amendment to an appropriation bill by which the completion of the monitors would have been insured, although the appropriation had been urged by their own Secretary of the Navy. They preferred to take the chances of the passage of the new-ship bill rather than accept an amendment from the Republican Senate. It is said, too, that the ruling powers of this House, against the indignant protest of members of their own party, have decided to cut down the new-ship bill one-half. This short-sighted and unpatriotic policy can not long continue. If the Republican party gains the next House the new Navy will be built without delay. Even if the Democratic party continues to control it, it ought not to be presumed that they will disregard, for more than a year or two, the wise and patriotic appeals of the sage of Greystone. We can not tell, therefore, whether the surplus of 1886 will not be needed to supply some urgent need of the near future.

National expenditures and national income being subject to much uncertainty, there are two ways of adjusting the one to the other. One is the American way, the other is the English way. One is adapted to a fiscal system like ours, in which the revenues of the Government largely come from a tariff and other forms of indirect taxation. The other is adapted to a fiscal system like that of England, in which the revenues are derived to a considerable extent from taxes which, like the income tax, can be raised or lowered from year to year to meet the changing requirements of the Treasury. Our method has been for many years to maintain a fair working balance of about $30,000,000 in the Treasury to meet emergencies and avoid a deficiency, which, be it remembered, the Secretary has no power under the law to meet by means of a temporary loan. Under this system we have prospered. American industry has developed. The weight of Federal taxation has not borne heavily upon the laboring population, whatever free-trade theorists may say to the contrary. The financial history of this country has for nearly a generation elicited the admiration of the civilized world. We can well afford to continue the system for a time.

The English system, which we have heard extolled by one or more of the advocates of the pending resolution, is altogether different. The English plan is to avoid an annual surplus almost at all hazards, and take a deficiency almost as a matter of course. They meet a deficiency first by the issue of exchequer bills, which our Secretary of the Treasury is not authorized to resort to, and next by a change in the revenue laws. From 1876 to 1885, both inclusive, the English treasury never had a surplus of £1,000,000 in any one year. In four of these years there was a deficit, the smallest amounting to £1,049,773 in 1885, and the largest amounting to £2,840,699 in 1880. During the ten years the aggregate of the deficits amounted to £8,822,486, and the aggregate of the surpluses to £2,536,616, leaving a deficit for the whole period of £6,285,870. There was not a single one of these ten years in which Parliament did not make some change in customs duties or in internal taxes. In 1875 there was a reduction of £4,186,007, and an increase of £61,250. In the next year there was a reduction in excise and stamp duties of £58,000, and no increase. In 1877 there was a reduction of £422,950, and an increase of £1,881,509. In 1878 stamp taxes were repealed amounting to £6,000. In 1879 there was a reduction of £80,150 and an increase of £4,236,787.

In 1880 there was an increase in the tax on cigars; amount not stated. In 1881 a reduction of £8,444,401 and an increase of £11,524,777; in 1882 a reduction of £2,639,085 and an increase of £653,100; in 1883 a reduction of £11,000 and an increase of £2,926,766; in 1884 a reduction of £3,410,000. In 1885 a reduction was made amounting to £22,000 and an increase in the income tax estimated at £2,000,000. The taxes affected by these various changes were customs, excise, income tax, stamp tax, land tax, house duty, beer duty, licenses, and a few others. There were only two years from 1876 to 1885 in which there was not a change made in the rate of the income tax.

I have heard gentlemen speak with admiration of this system. They say it is far more scientific than ours. That may be. But are we so fond of a revenue revision that we are willing to make one every year as regularly as we make the annual appropriations?

Until we are ready to resort to direct taxation as England and France do, and give up our tariff system which can not be frequently changed without injury to American industry, we may well put up with the inconvenience of a surplus which, according to the estimates of the Secretary of the Treasury, is likely to disappear by the end of the fiscal year 1887, even if no calls of bonds are made beyond the requirements of the sinking-fund act.

The effect of adopting the joint resolution now pending will be either that we shall have no working balance in the Treasury to meet emergencies or else that we shall be compelled to meet emergencies by drawing upon the greenback redemption fund, which ought to be set apart and maintained unimpaired for the security of our paper circulation.

I believe with the Secretary of the Treasury that the amount held for redemption of United States notes "is in no sense a surplus; but is set apart and appropriated as a minimum security and reserve for the redemption and payment of $346,681,016 of United States notes."

I agree with him when he declares that "this reserve, amounting to $100,000,000, should be held above all possibility of encroachment."

The same reason which should restrain us from authorizing the addition of a single dollar to the total amount of $346,681,016 of United States notes ought to restrain us from subtracting a single dollar from the $100,000,000 held for their redemption. To issue twenty-five or fifty millions of additional United States notes might do no great harm of itself. The danger is that it would pave the way for further issues, and so ultimately lead to a very serious evil from which we have once escaped, to the astonishment of European financiers.

So the temporary encroachment to the extent of ten or fifteen millions upon the redemption fund of $100,000,000 might do no great harm of itself. The danger is that it will tempt to further encroachment. I am not surprised that the proposition of the Committee on Ways and Means to encroach upon the redemption fund should be promptly followed by the proposition of the gentleman from Ohio [Mr. WARNER] to authorize the issue of more greenbacks. The one proposition is as dangerous as the other, and is dangerous for precisely the same reason. The issue of paper money has usually led to the issue of more paper money. The temptation to supply the needs of Government by setting a printing-press at work is so strong and becomes so much stronger the more it is yielded to, as the experience of the world has shown, that we ought not to go a single step on that slippery and downward road. The recent decision of the Supreme Court that we have the constitutional power in time of peace to authorize new issues of legal-tender paper money makes no difference in the question of policy. It only makes more urgent our duty to refrain from the unnecessary exercise of a dangerous power now that the restraint of the Constitution appears to have been taken away. The historian Bancroft, in a pamphlet published last winter, has clearly shown that the framers of the Constitution not only thought that the power of emitting bills to circulate as money was a dangerous power not to be exercised in time of peace, but also thought that the Constitution as they framed it had withheld this dangerous power from Congress.

The Supreme Court has decided that on the latter point they were mistaken, but the decision of the framers of the Constitution on the question of policy can never be overruled. The greenback circulation has come down to us as a relic of the war, just as the uncovered issues of the Bank of England are a relic of the war against Napoleon. It may be safely maintained within the existing limit, but when we have once passed that limit by a single step, as the gentleman from Ohio would have us do, the same arguments which he now uses would lead us on and on till there would be no retreat. Suppose we narrow the margin of safety, either by enlarging the greenback circulation or by reducing the redemption fund, where shall we stop? If we reduce the redemption fund from $100,000,000 to $75,000,000 and public confidence remains unshaken, shall we go on until we find that public confidence has been impaired?

If the further reduction from $75,000,000 to $50,000,000 causes a withdrawal of gold from the Treasury, either through honest apprehension of danger or through the schemes of speculators, who, like pickpockets in a crowd, pretend to be alarmed themselves in order to excite and profit by the alarm of others, what will follow? Contraction will follow, contraction of the circulation, contraction of commercial credit. The harm that might be done in this way to the legitimate business of the country might in a single week outweigh tenfold any possible advantage which the people of this country could derive from the proposed payment of bonds and the reduction of the annual interest account. The object of keeping a greenback redemption fund of $100,000,000 in the Treasury is not merely to redeem all United States notes on demand which may be presented in the ordinary course of business. The further and more important object is to make the holders of United States notes so secure of their redemption on demand that no holder or clique of holders will ever dream of presenting them and drawing gold from the Treasury, either to secure themselves or to cause a feeling of insecurity in others.

How much does it cost us in annual interest to keep unimpaired the redemption fund of $100,000,000? Hardly a million a year. Those who oppose the pending joint resolution in its present shape only contend, first, that the $100,000,000 shall, in the words of the act of 1882, be "reserved for the redemption of United States notes," and, secondly, that there shall be a working balance in the Treasury at all times of about $30,000,000 of available funds to meet emergencies and prevent the necessity of resorting to the redemption fund for any other purpose than the redemption of United States notes. Accordingly the difference between the supporters and the opponents of the joint resolution, so far as relates to the amount of available surplus to be kept in the Treasury, is simply a difference of $30,000,000. The interest on $30,000,000 at 3 per cent. amounts to $900,000 per annum. It is an insignificant price to pay for the absolute security which now enables

us to keep in circulation at the same par the various elements of our heterogeneous currency.

What do we gain by the passage of this joint resolution to compensate us for the risk? The chairman of the Ways and Means Committee thinks "it would tend to make money cheaper, increase the means of exchange, and help in the transaction of business." How can that be? Suppose the expansion of the circulation by the payment of bonds is greater than the contraction of the national-bank circulation due to the payment and cancellation of the bonds on which the national-bank circulation is based—suppose, that is, that there is a net addition to the volume of our entire circulation—will it permanently "cheapen money and help in the transaction of business?" A large part of our circulation consists of gold coin. Prices of commodities in the American markets are gold prices, and will be so long as gold remains in circulation here. To expand the currency by adding more paper, more silver, or more gold is to raise the gold prices of all commodities in the American market. To raise gold prices in this country is to stimulate imports of foreign goods. It would have precisely the same effect as a reduction of the tariff.

American manufacturers would suffer, importers would flourish. Gold coin would go abroad until the equilibrium, disturbed by the expansion of the currency, had been restored and the total volume of our circulation had once more sunk to what the gentleman from Ohio [General WARNER] aptly calls "our distributive share of the world's money." A permanent expansion of the currency can not take place till our gold circulation has disappeared and some other medium less exportable than gold has taken its place. A temporary expansion followed as it would be by contraction would injure rather than benefit the legitimate industry of this country.

No one in this House contends that the national debt ought not to be paid. But as we have only about $400,000,000 of bonds that will be subject to call before 1907, there is no strong necessity for paying them more rapidly than according to the requirements of the sinking-fund act. Even at that rate the bonds subject to call would all be redeemed in about nine years. It is not fair to contend that those who oppose the joint resolution in its present shape are opposed to the prompt payment of the national debt. It is equally unfair to say that we are in favor of the accumulation of an unnecessary surplus in the Treasury. The real question is this: Shall the redemption fund of $100,000,000 of gold coin and bullion be "reserved for the redemption of United States notes," as recited in the act of 1882? Secondly, shall there be at all times in the Treasury a working balance of $30,000,000 of available funds to meet all emergencies, and so remove the temptation to resort to the greenback redemption fund for any other purpose than that for which it has been created? The difference between those who favor and those who oppose the pending resolution is simply a difference of $30,000,000 in the amount of the available surplus to be kept in the Treasury. What can be said for and against the proposition to maintain this working balance of $30,000,000?

Against this proposition the only thing that can be fairly said is that it costs $900,000 a year in interest, which we could save by using it in the redemption of 3 per cent. bonds.

In favor of the proposition it may be said: First, that under our tariff and internal-revenue system of indirect taxes, which can not be raised and lowered from year to year without injury to the capital and labor of this country, we are required to keep a working balance in the Treasury to meet the danger of a deficit such as is even now not unlikely to occur before the end of the next fiscal year. Secondly, the maintenance unimpaired of the greenback redemption fund of $100,000,000 of gold gives stability to our currency, and thereby benefits American labor to an amount in comparison with which the annual interest charge of $900,000 sinks into utter insignificance. With the amendments I have suggested the resolution could do no harm. Without these amendments it ought not to become a law.

Presidential Vetoes of Pension Bills.

SPEECH

OF

HON. BYRON M. CUTCHEON,

OF MICHIGAN,

IN THE HOUSE OF REPRESENTATIVES,

Friday, July 9, 1886.

On the message of the President returning with his objection the bill (H. R. 1059) granting a pension to Jacob Romiser.

Mr. CUTCHEON said:

Mr. SPEAKER: I desire briefly to give some of the reasons why I think the House ought to sustain its own committees, and why this bill should be passed and all these vetoed pension bills reported back to the House at this session for its final action.

The President has had his day and his hearing, not only before the House but before the country. The clerks of the Pension Office have furnished him with the reasons why these cases were rejected, but they have not furnished him with the evidence upon which the Committee on Pensions reported them favorably, and upon which the House passed them.

It would seem from what appears in Senate Report 1424 in the case of Mary J. Nottage (Senate bill 2005) that when the President referred to the Pension Office for information one hundred and eighteen House bills and eleven Senate bills he did not ask for points in favor of the bills, but only for objections to their approval. So that it is apparent that his examination was rather an *ex parte* than an impartial one. The instructions were as follows:

Please cause the same to be critically examined and report to this Department whether in your opinion any objections to their approval are known to exist. In cases where objections exist, they should be specifically set forth.

The President's criticisms and objections, his partial and sometimes erroneous statements, have gone out to the country and have created public opinion, while the reports of the committees of this House and the evidence upon which they are based are wholly unknown to the country, and the greatest injustice is done to the painstaking and conscientious members of the Pension Committees.

It is due, Mr. Speaker, to the Pension Committees of the House, and it is due to the House itself, that the other side of this question should be fully heard. The pension vetoes have undoubtedly left the Committee on Invalid Pensions in a very embarrassing and unjust light before the country—in the light of having recommended frivolous and foolish pension cases to the House, and of having attempted to abstract the money from the public Treasury for improper and fraudulent purposes.

I submit that the Pension Committee should report back each one of these cases with such recommendation as it now deems proper to make.

In a few cases, as where the relief has been already granted at the Pension Office, or where it is pending and undetermined, or other technical reason exist, of course no time would be consumed. In the other cases the House should have the opportunity to consider the questions of public policy involved. Judgment ought not to be rendered upon an *ex parte* hearing. The country should have the opportunity to know whether the Pension Committee has really reported favorably improper and fraudulent bills.

We have before the two Houses vetoes of eighty-eight private pension bills. It seems to me, Mr. Speaker, that the significance of these vetoes is much broader than the simple question whether these eighty-eight bills shall become law or fail. There are questions involved far transcending that—questions of the right or wrong of our pension system, and the whole question of what is and shall be the public policy of our pension laws.

I think I am justified also in saying that, in some degree, a question of comity and courtesy in communications between co-ordinate branches of the Government is involved. It has been said here, Mr. Speaker, that the office of President of the United States is a great office. Yes, Mr. Speaker, it is a great office, the greatest held by one man on this planet.

But Congress is a greater office. Here around me sit the immediate and chosen representatives of sixty million freemen. And while respect is due from Congress to the Executive, a greater respect is due from the Executive to Congress, which stands closer than he to the fountain of all power, the people.

The gentleman from Pennsylvania [Mr. CURTIN] said the other day that the President is "entitled to decent respect and decent speech." Let it be granted. And I submit that the Congress of the United States, the supreme law-making power, the greatest legislative body in the world, is also "entitled to decent respect and decent speech."

Mr. Speaker, for one I am not inclined to split hairs with the President upon the question of the extent and constitutional limits of the veto power. Let it be granted that as a matter of constitutional right the President may return any bill to Congress with his objections. He may return it for constitutional objections or on the ground that the proposed legislation is defective or unnecessary. The extent to which he will exercise this prerogative is largely a question of taste, and we know the old maxim, *de gustibus non disputandum*. There can be no no dispute about matters of taste because there can be no common standard or standpoint, and the taste of one President may differ from that of another. Lincoln vetoed one bill in four years; Cleveland has vetoed one hundred bills within three months. But that is a matter of taste, and it measures the distance between the two men in their judgment of their relations to the law-making power of the Government.

When Mr. Cleveland penned his letter of acceptance of the nomination of his party the people of the United States had no reason to expect such extraordinary use of the veto power. Mr. Cleveland then declared that the office of President was "essentially executive in its nature." He saw "nothing in the character of the office" which required from him a statement of his opinions on matters which concerned the legislative branch of government. The laws were enacted by Congress; the only duty of the Chief Executive was to enforce them faithfully. His conceptions of the Presidential office seem to have greatly changed since then, and the question arises, was he right then or is he

right now? We appeal from Cleveland, President, to Cleveland, candidate.

Article 1, section 1, of the Constitution provides that—

All legislative powers herein granted shall be vested in a Congress of the United States, which shall consist of a Senate and House of Representatives.

So it may be safely asserted that it was the intention of the framers of the Constitution that the policy of the laws should be determined by the Congress, the lawmaking power.

Section 1, Article II, provides that "the executive power shall be vested in a President of the United States."

It is significant that the power to return bills without his approval is not found among the enumerated executive powers, but is found in section 7, Article I, among the provisions for the exercise of legislative powers. It may be safely inferred, also, that the framers of the Constitution expected that the veto power would be invoked only upon grave and momentous occasions when serious danger should be threatened to the Constitution or to the general welfare. It can scarcely be imagined that under section 1, Article I, they intended that the policy of the laws should not be left and intrusted to the lawmaking power.

By those Presidents who lived in the era of the formation of the Constitution, and who may be presumed to be most familiar with its spirit, the veto power was very sparingly used. The whole number of vetoes from the foundation of our Government to the present administration was 109, an average of about 1¼ per year.

	Years.	Vetoes.	Average per year.
Washington to Lincoln	72	46	⅝
Lincoln	4	1	¼
Johnson	4	17	4¼
Grant	8	29	3⅝
Hayes	4	12	3
Arthur	4	4	1
Lincoln to Arthur, inclusive	24	63	2⅝

The first session of Congress under the present administration is not yet completed, but the President has already returned under his veto the following acts of Congress:

1. The bill to restore Lieutenant McBlair to the retired-list.
2. The DesMoines settlers land bill.
3. The bill for the furtherance of anatomical science in the District of Columbia.
4. To extend the benefits of the immediate-transportation act to Omaha.
5. To make Springfield, Mass., a port of delivery.
6. For a public building at Sioux City, Iowa.
7. For a public building at Zanesville, Ohio.
8. For a public building at Duluth, Minn.
9. For a public building at Dayton, Ohio.
10. For the relief of Martin L. Bundy.
11. For the right of way through the Indian reservation in Northern Montana.
12. For a public building at Asheville, N. C.

In addition to these twelve bills of a general nature, the President has vetoed twenty-three Senate and sixty-six House pension bills, making a grand total of one hundred and one vetoes, all within three months, except the one case of Lieutenant McBlair.

In the few days yet remaining of the session the present incumbent will have no difficulty in getting the other ten, which will enable him to swamp all the Presidents from Washington down to this administration combined.

Were all his illustrious predecessors, including such names as Washington, Jefferson, Madison, Jackson, Lincoln, and Grant, grossly ignorant of their constitutional duty, or grossly recreant to their constitutional prerogative; or was the present incumbent correct when he said in his letter of acceptance that the office of President was "essentially executive," and wrong now when he seeks to constitute himself a member of Congress with a vote equal to one-sixth of both Houses of Congress?

I said, Mr. Speaker, in the beginning of these remarks, that a question of comity and courtesy between co-ordinate branches of the Government might to some extent be involved in this matter.

The President, in some of his veto messages, assumes to know and to criticise the number of members present in the two Houses when some of these pension bills were passed. It is hardly necessary to say that the opinion of the court is the opinion of the whole court, unless a dissenting opinion is filed. The act of the House of Representatives is the act of the entire House, if no question is raised that a quorum has not acted.

In one of his later messages, that on the Francis Deming case, the President uses this language:

The blatant and noisy self-assertion of those who, from motives that may well be suspected, declare themselves above all others the friends of the soldier, can not discredit or belittle the calm, steady, and affectionate regard of a grateful nation.

As this is addressed to Congress, it must be supposed to have some reference to some portion of the membership of Congress.

Suppose that one branch or the other of Congress should send a message to the Executive, in which it should assert that "the flippant, undignified, and egotistical self-assertion of the Executive who, from motives that may well be suspected, declares himself the special and infallible guardian of the pensioners, can not discredit nor belittle the calm, steady, and affectionate regard of Congress for the defenders of the Union," would it be contended that such a message would be the courtesy due from the legislative to the executive department of the Government?

Mr. Speaker, in what I shall further say of these vetoes I shall confine myself to the pension bills. And first I wish to say a few words in regard to the Committee on Invalid Pensions of this House, and its capacity and facilities in investigating these cases:

1. It is a large committee, composed of fifteen members, and by a proper division of the work they are enabled to investigate with greater thoroughness than any one man can.

2. It is an able committee, selected by the Speaker with express reference to this especial work.

3. Several of the members have had large experience in former Congresses and have become genuine experts.

4. At least two of them are physicians of learning and large experience, and capable of judging and advising in regard to the medical phases of cases before them.

5. These fifteen gentlemen devote their entire time, as committeemen, to pensions.

6. Several of them, including the chairman, have served with distinction as soldiers, and are familiar with the life, hardships, habits, and disabilities of soldiers, and can judge of a given state of facts much more accurately and justly than one who has never seen military service.

7. The reports of this committee are in the nature of the special findings of a jury, and are entitled to much the same respect as the verdict of a jury upon a case submitted to them.

8. This committee has been selected to represent and formulate the general policy of the House in regard to the important matter of pensions, as the Committee of Ways and Means represent the revenue policy of the House.

That policy has been declared in the House Report on Senate bill 1886—which passed the Senate by a very large majority (34 to 11) and which has been reported by the House committee favorably, and, as I understand, unanimously—to be that no man who honorably served as a soldier of the Union and was honorably discharged shall be permitted to dishonor that country by becoming an inmate of a poor-house so long as a small pension from the Government will prevent it.

It is against this policy that the President has set his face and directs his vetoes. And he warns us in advance that Senate bill 1886, or any similar bill, will encounter his veto by vetoing these private pension bills, for a large proportion of them would come within the principle of Senate bill 1886, and would be allowed at the Pension Office were that bill or a similar bill to become law.

Among the vetoed bills which come clearly within the principle and scope of that act are those of John W. Farris, Philip Arner, James H. Darling, Andrew J. Wilson, Giles C. Hawley, John S. Kirkpatrick, William H. Beck, Joel D. Monroe, Samuel Miller, and many others.

But in his veto message returning the bill of Francis Deming (H. R. 2971) the President puts his position beyond all question or doubt.

In that message the President says:

I am satisfied that a fair examination of the facts in this case justifies the statement that the bill under consideration can rest only upon the grounds that aid should be furnished to this ex-soldier because he served in the Army, and because he a long time thereafter became blind, disabled, and dependent.

The question is whether we are prepared to adopt this principle and establish this precedent.

* * * * * * *

But with all this, and with the hundreds of special acts which have been passed, granting pensions in cases where, for my part, I am willing to confess that sympathy rather than judgment has often led to the discovery of a relation between injury or death and military service, I am constrained by a sense of public duty to interpose against establishing a principle and setting a precedent which must result in unregulated, partial, and unjust gifts of public money under the pretext of indemnifying those who suffered in their means of support as an incident of military service.

GROVER CLEVELAND.

EXECUTIVE MANSION, *July* 5, 1886.

It will be observed from the foregoing that it is against the principle that the President inveighs and treats us in advance to a veto of Senate bill 1886.

That bill announces the general principle that it shall not be necessary for a claimant to trace his disability to the incidents of the service, but if it be shown that he was an honorable soldier of the Republic, and was honorably discharged, that he is under a present disability to gain a livelihood, and is dependent, he shall be pensionable. The President on the contrary insists that the soldier must be able to trace his disability with precision to his military service in the strict line of duty, or he shall not be pensionable. Not only must he be doing military duty under orders, and in the line of duty, but he must have gone

through the formality of being sworn in, as in this case of Joseph Romiser, or he shall not be pensionable; and that even Congress, the supreme lawmaking power of the nation, shall not be permitted to adopt a different policy of law.

The President's line of reasoning seems to be, "If your case does not come under the general law and does require special legislation, then I will veto your bill, because it does not come under the general law. If your case does come under the general law and does not absolutely require special legislation, then you must go to the Pension Office, or I will veto your bill."

It is very much like the old Calvinistic theological formula:

> You'll be damned if you do, and you'll be damned if you don't.

The President in all these vetoes assumes that under the policy of our laws no one is pensionable but those disabled in the military service and in the line of duty, and who can make that appear by positive proof.

Upon that proposition I join distinct and complete issue with the President. I say that has never been the policy of our pension laws, is not now, and never will be.

The soldiers of the Revolutionary war were granted a service pension without regard to disability incurred in line of duty or otherwise.

The soldiers of the war of 1812 have been granted a service pension without reference to disability in the service, or otherwise, without reference to dependence or otherwise.

This House has at this very session passed a Mexican war pension bill by a vote of 157 to 69, in which 121 Democrats voted in the affirmative and only 11 in the negative, by the terms of which every man who was borne upon the muster-rolls even for one day, though he never went within a thousand miles of Mexico or a Mexican, though he never had a pin's scratch on his skin, and never saw a day of illness, and though he may be now in robust health and worth a million dollars, and beyond all need of aid of the Government, shall each receive a service pension (for no service it may be) at the rate of $8 per month as long as he lives.

And does anybody suppose that if that Mexican pension bill had passed the Senate as it passed the House it would have encountered a Presidential veto because the beneficiaries had not been disabled in the service and in the strict line of duty? I tell you nay. Do you ask me why? I leave you to meditate upon that question.

Moreover, it has been the settled practice for several Congresses past to pass hundreds of private pension bills for the very reason that the claimants have not been able to make the required proof at the Pension Office that their disabilities were incurred in the line of military duty.

The last Congress passed more than five hundred of such bills and not one of them was vetoed by President Arthur, because he looked upon Congress as the high court of chancery of the nation, to adjudge the equity of each particular case.

I therefore utterly and absolutely deny the truth of the President's premises that a man is not pensionable unless he can prove that he was disabled in the military service and in the line of duty. It is not true. It never was true. But suppose that were not so, and that up to this time there were no law, general or special, allowing pensions except for a disability traced directly to military service in the line of duty.

In the name of humanity and national honor shall we be precluded as the supreme lawmaking power from making a law that shall meet the exigency of individual cases that appeal to our sense of right and equity? Because, forsooth, a surgeon is dead, or a fellow-prisoner at Andersonville has answered the last tattoo, or a record is lost, or comrades have been swept away, are our hands bound from doing such meager justice as we may? Shall we be compelled to stand by in imbecility and helplessness and see our old veterans in their age and feebleness and poverty go to the poorhouse, and this great Congress of the people's representatives forbidden by the iron grip of the veto power from reaching out to them a supporting hand to steady their faltering steps and smooth their brief pathway to the grave? God forbid! It is not so. It can not be so. If we be true men, true to our country, to our manhood, and to humanity, it shall not be so! Our appeal is to the people, who make and unmake Presidents!

I have spoken of the facilities of the Committee on Invalid Pensions for investigating pension cases. I now wish to contrast them with the President's want of facilities.

First. He is burdened with many cares, both of state and of a domestic character. The crowds of "the hungry and thirsty" dog him and press upon him by day and by night. He has all the legislation of Congress upon his hands for consideration as well as all his proper executive duties. Long into the weary and wakeful hours of these sultry summer nights he is obliged to sit in his shirt-sleeves to hunt out the flaw in some poor widow's case—perhaps like that of Sally Ann Bradley or Louisa C. Beezeley—over seventy years old, or he is obliged to rise up at the voice of the bird in the early dawn, leaving the bride of a fortnight to her lonely couch for the purpose of running down "the ingenuity developed in the constant and persistent attacks upon the Treasury by those claiming pensions," as he says in the case of that gallant soldier and Democratic senator, John W. Farris, of Missouri, whose bill is among the vetoed. It must be manifest from the very nature of the case, from the number of bills presented to him and the length of time given to them, that the President can give but a few minutes to the consideration of each bill, and that not to the evidence filed but rather to the brief of objections furnished by the clerks of the Pension Office.

Second. Another disability under which the President labors is the want of experience in army life. This is well illustrated in the case of Alfred Denny (Executive Document No. 176), in which the President concludes that "those saddles were very dangerous contrivances." This is a brilliant stroke of humor, especially when aimed at the lifelong injury of a faithful officer; but I apprehend that if the incumbent of the Presidency had ridden in a few cavalry charges with drawn saber, or had been mounted on an artillery horse when its mate was torn limb from limb by shot and shell, as I have seen them, or had even ridden a spirited horse under a good, warm musketry fire, as many gentlemen on both sides of this House have done, he might have found that being in the saddle was a dangerous thing. But I forbear. The case is not a supposable one. It might have been well had it been otherwise; but, unfortunately for the country and the soldiers, he is totally wanting in that experience.

The President also shows that he is liable to errors of fact. In this case of Joseph Romiser he vetoed the bill upon the ground that no claim had ever been made in the Pension Office, when in fact all the papers in the case were at that moment on file there. In the case of Carter W. Tiller the bill was vetoed upon the ground that the soldier was a deserter, when the record clearly showed that so far from deserting was he that he died a horrible death in Andersonville prison.

Third. Again, he is greatly wanting in a knowledge of the diseases of the camp. This is well illustrated in the case of Andrew J. Wilson, in which he says—and if any other man had said it it would have been cruelly flippant when spoken of an infirm old soldier:

> Whatever else may be said of claimant's achievements during his short military career it must be conceded that he accumulated a great deal of disability.

Had the present incumbent of the Presidency himself been a soldier in the field he would have known that it does not take a soldier many months sleeping in rain and sleet, subsisting upon villainous and half-cooked rations, making forced marches, weighted down with knapsack, haversack, canteen, musket, cartridge-box, and forty rounds of cartridge, and subjected to the terrible strain of the shock of battle "to accumulate a good deal of disability."

Again, in the case of William Bishop the President says:

> This claimant was enrolled as a substitute on the 25th day of March, 1865; he was admitted to a post hospital at Indianapolis on the 3d day of April, 1865, with the measles; was removed to the City General Hospital, in Indianapolis, on the 5th day of May, 1865; was returned to duty May 8, 1865, and was mustered out with a detachment of unassigned men on the 11th day of May, 1865.
>
> Fifteen years after this brilliant service and this terrific encounter with the measles, and on the 28th day of June, 1880, the claimant discovered that his attack of the measles had some relation to his Army enrollment, and that this disease had "settled in his eyes, also affecting his spinal column."

Those who served in the Army of the Potomac in the winter of 1861–'62 in front of Washington well know that many a grave on Arlington Heights is tenanted as the result of a "terrific encounter with the measles." And in view of certain other circumstances the sneer at "substitutes" might well have been omitted.

Fourth. In the next place the President is deficient in the necessary medical knowledge which would enable him to judge with reasonable intelligence of the probabilities of certain disabilities. Take, for instance, the case of John W. Farris, already alluded to. The President fairly hoots at the idea that impaired vision and sore eyes could be the result of the general debility resulting from long and exhausting chronic diarrhea.

The President in his message (Executive Document No. 285) says:

> In September of the same year, and after this pension was granted, he filed an application for an increase of his rate, alleging that in 1884 his eyes became affected in consequence of his previous ailments and the debility consequent thereupon.
>
> The ingenuity developed in the constant and persistent attacks upon the public Treasury by those claiming pensions and the increase of those already granted, is exhibited in bold relief by this attempt to include sore eyes among the results of diarrhea.

Contrast this with the report of the medical examining board at Lebanon, Mo., October 21, 1885, as follows:

> We find the conjunctiva of both eyelids thickened and in a state of chronic inflammation. There is an opacity of the cornea of both eyes, resulting from ulceration, which is of the nebulous variety. The vessels of the conjunctiva of the cornea are very much enlarged. The opacity of the left cornea extends over the pupil and almost completely obstructs the vision. That of the right eye is less extensive, about two-thirds. He can not distinguish the largest test type with the left eye, but with the right eye can distinguish it at a distance of 17 inches. He is totally incapacitated for manual labor. He is in our opinion entitled to a second-grade rating for the disability caused by chronic diarrhea and resulting general debility and sore eyes.

Or this from Dr. Michel, of the Missouri Medical College, one of the most eminent oculists in the Southwest:

> That he has been treating Senator J. W. Farris for chronic conjunctivitis with granulation since January, 1885, and that I am satisfied that a vitiated constitutional condition is to blame for his impaired vision and prolonged eye affection.

This claimant enlisted at the age of only fifteen; served four years; by gallantry rose to be a commissioned officer; was discharged at twenty with an incurable disease which has resulted in blindness.

Is it any wonder that in his indignation and humiliation he should write to the Saint Louis Republican as follows:

Ordinarily it is enough to be a victim of disease and conscious of approaching permanent disability or early dissolution; but when this is accompanied with the brutal *ex parte* judgment of a President whom the sufferer has aided in electing, the withdrawal of personal and political sympathies, and the rude and vulgar taunts of the press, only faintly illustrates the extraordinary dilemma in which I am placed.

I am at a loss to know how a conservative public can justify the brutality displayed by the Chief Executive of a Government to which I gave four years of active military service, hazarding life, imperiling health, and making myself prematurely old. And yet such seems the result. One of my competitors, Mr. J. B. Rackliffe, possessed of about the same degree of patriotism that induced Grover Cleveland to hire a substitute rather than fight his country's battles, ruled by the same brutal instincts which impelled the President to assault me so unjustly in his message, has gone over the district and covertly, yea, in a cowardly manner, used this veto message to manufacture sentiment against me and build for himself that character and reputation which he had not been able to attain save through the misfortunes of another. I am content with the defeat which will probably come to me, but I am not content to remain silent and be branded by a President—even a Democratic President—with having devised an "ingenious plan to attack the public Treasury."

* * * * * * *

I am proud of the record I made as a soldier. I left the Army at the end of four years' service, when only twenty years old, bearing two commissions won by meritorious service in battle. Though in impaired health as the result of that service I am not too feeble to resist the criticisms and denounce the reflections of Presidents and Senatorial candidates who seek to cast aspersions on my character or impute dishonesty to my motives.

I have yet to find any medical man who denies that defective sight may result from long-continued chronic diarrhea.

Take for a further illustration the case of Francis Deming (H. R. 2971), where the claimant after suffering from rheumatism for many years became almost totally blind. Of this sad case the President says:

Thereupon, and after nineteen years had elapsed since his discharge from the Army, a pension is claimed for him upon a very shadowy allegation of the incurrence of rheumatism while in the service, coupled with the startling proposition that this rheumatism resulted, just previous to his application, in blindness. Upon medical examination it appeared that his blindness was caused by amaurosis, which is generally accepted as an affection of the optic nerve.

The President scouts the idea that the blindness can be referred to rheumatism, because the medical examiner called it "amaurosis;" ignoring the fact that amaurosis, which is an affection of the optic nerve, may be produced by rheumatism.

In the case of William H. Beck (Executive Document No. 181), where it was claimed that epileptic fits or spasms had resulted from the heavy firing of artillery over the man's head, the President says:

If this disease can be caused in the manner here detailed, its manifestations are such as to leave no doubt of its existence, and it seems to me simply impossible, under the circumstances detailed, that there should be any lack of evidence to support the claim upon which this bill is predicated.

Doctors will disagree, and I have yet to find a doctor who will agree with Mr. Cleveland that in a case of recent epilepsy, where the spasms are many days apart, "the manifestations are such as to leave no doubt of its existence."

Fifth. His knowledge of military law seems to be as faulty as his knowledge of therapeutics, when in the case of James Butler (Executive Document 180) he says in one sentence that the claim was rejected because "the claimant was on individual furlough, and therefore not in the line of duty," and in the very next sentence declares "that he was in no sense in the military service of the United States." Exactly how a man could be "on furlough" and at the same time "in no sense in the military service" is something that passes my understanding.

In this same case, as well as in the Joseph Romiser case, he makes the further mistake of supposing that under the general laws of the United States a soldier has not been pensionable unless he has been regularly mustered into the service of the United States.

The Revised Statutes provides (section 4693) that the following classes shall be pensionable:

First. * * * Any enlisted man, however employed, in the military or naval service of the United States or its Marine Corps, whether regularly mustered or not, disabled by any wound or injury received or disease contracted while in the service of the United States and in the line of duty.

This provision was in force until July, 1874. And again, the third subdivision of the same section provides that "any person not an enlisted soldier in the Army * * * who volunteered for the time being to serve with any regularly organized military or naval force of the United States, or who otherwise volunteered and rendered service in any engagement with rebels or Indians, disabled in consequence of wounds or injury received in the line of duty in such temporary service," shall be pensionable. (Section 4693, Revised Statutes.) This provision has also expired by limitation.

Sixth. Even more yet is he wanting in a knowledge of the habits and qualities of good soldiers.

He frequently and grievously complains of the want of "a hospital record." I do not think he appreciates as those who have commanded troops in the field do that it is not the men who have the most brilliant and voluminous hospital record who did the hard fighing and are the most deserving of pensions.

Every man on this floor who has commanded troops knows that the bravest and best soldiers would rather fall in their tracks from exhaustion and be helped into camp by comrades than go to hospital; and even when wounded would endure almost anything in quarters rather than encounter the foul air and depressing influences of a hospital ward.

The incumbent of the Presidency has very much to learn about soldiers.

And lastly, unless I greatly err, he has much to learn of the feeling of loyalty and the spirit of patriotism which inspired our soldiery, and which is worth more to this nation than all its millions of gold and silver piled in the vaults of the Treasury.

Take the case of that old man, Nathaniel Beezeley, the old farrier, whose widow's bill is among these vetoes. At the age of 60 years he heard the call of his country. He wanted to have some share in the grand and patriotic work of upholding its flag and saving the Union of the States to posterity. So, while the young and strong and the prosperous hesitated, the old man said to his wife, "Louisa, I believe I must go. I've got a good deal of strength left yet, and if the old flag must go down I want to go down with it. If anything should happen to me this Government will see that you don't come to want." So he shouldered his musket and marched in the grim ranks of war. He thought he could endure the hardship, and for a year he stood at the post of duty like a man, as best he could. But "he accumulated a good deal of disability," and at the end of a year he was mustered out, as the report of Colonel MATSON, the chairman of the committee, says, "a wreck of his former self."

The old man died at length, and now his aged widow, past seventy, dependent upon charity, recommended by the governor of her State and by ex-Senator Joseph E. McDonald, comes here with trembling hands and tottering steps—comes here to ask of the great, rich Government to which her husband gave the remnant of health and life to assist her in eking out her few remaining days with a paltry pension of $12 per month, and the President of that country says to Congress, "I forbid!"

I would to God that some younger and stronger men had possessed that same spirit of patriotism which the old man Beezeley had, and which led him to the perilous edge of battle. Such patriotism is not so superabundant in these days that we can afford to sneer at it or refuse to recognize it or reward its loyal sacrifices. It was not so we promised these brave men when they went out to battle. It was not so we promised them when they turned their backs upon home and wife and child whom they might never see again; turned away from all the brightness and sweetness and hope of life to do, to suffer, and, if need be, to die in untold and unspeakable anguish for the flag of their allegiance and the country of their love. We told them then to go without fear and without faltering for those they left behind. We promised them that the nation would be husband to the widow and father to their orphan children; that the nation would raise their helpless ones in its great, strong arms and bear them ever in its heart of hearts.

Under that promise they went out. Under that promise they trod the red and slippery fields of carnage down to the blood-besprinkled doors of death.

Their work is done; their duty is fulfilled. But the wrecked and maimed, the widows and the orphans are with us still and claim our helping hand. Our promise remains.

May God help us to be true to the promises we pledged when patriotism was more than gold, when loyal sacrifice was more than place or power, and manhood was worth all that a nation had to give.

Land and Labor Legislation.

SPEECH

OF

HON. JOHN J. O'NEILL,

OF MISSOURI,

IN THE HOUSE OF REPRESENTATIVES,

Monday, July 19, 1886.

The House having under consideration the report of the committee of conference on the disagreeing votes of the two Houses on the bill (H. R. 7887) to repeal all laws providing for the pre-emption of the public lands, all laws allowing entries for timber culture, the laws authorizing the sale of desert lands, and for other purposes—

Mr. O'NEILL, of Missouri, said:

Mr. SPEAKER: I hope that the House will not concur in the Senate amendments but will adhere rigidly to the bill that we have passed here. No injury can come to any one who now holds land from the operation of this law, and we simply propose to preserve for the future that immense body of land which one gentleman on this floor has stated amounts to four-tenths of all the entire land in the United States exclusive of Alaska.

In reading this bill, I was amazed to find that while we were trying to get rid of one set of land robbers they were very willing to turn our eyes in another direction while they came in with a land-plunder scheme in a more infamous form. Under this plea of organizing com-

panies for the irrigation of the arid lands, a few men could absolutely control that entire belt. I agree with what gentlemen have said on this floor about the difficulty of reclaiming those lands. I have been over that country and I realize that sooner or later the Government of the United States must directly interest itself in the subject of reclaiming those lands for cultivation.

The tide of immigration has already gone beyond the borders of that portion of the country where there is a regular rain-fall, and its pressure has become so great that we shall have to interest ourselves before long in reclaiming the arid region in order to make homes for future settlers. As the traveler stops by the wayside at the few small spots in that arid region that have been reclaimed by irrigation, he is reminded of the fabled oases of the desert, and that is perhaps the best description that can be given of the effect of irrigation.

The introduction of water transforms that land into the most fertile of any in your country. But the work of irrigation can not be done by private enterprise except in a few isolated cases, and unless it is done by the Government the great mass of that land will remain idle. Let us leave those lands untouched for the present; let us keep the hands of the land-sharks off them; let us preserve them untouched until we adopt some general system for their reclamation. If the representatives from that portion of the country would only organize and come before Congress with a proposition for a general system of irrigating those lands by the sinking of wells, I have no doubt that it would be favorably considered, for I hold that it is as much for the interest of the people of the United States to improve those arid lands and make them available for human settlement and sustenance as it is to improve the water ways of the Mississippi Valley where I live.

By concerted action on their part, by simply exhibiting to this country the advantages which would follow from a change of that kind, I am confident there is enough patriotism in our people to aid them in that effort.

By the passage of land-forfeiture bills we have rescued from the railroads within the last two years over 40,000,000 acres of unearned public lands. House bills embracing nearly fifty millions additional are now pending in the Senate.

The land and labor legislation of the present Congress stand out in bold relief, marking a sympathy for the working classes unprecedented in the annals of legislation.

I append the following sketch of labor legislation, believing it to properly combine with the land question:

LABOR LEGISLATION.

The House of Representatives of the Forty-eighth Congress inaugurated labor legislation by creating among its standing committees a Committee on Labor, to which should be referred proposed legislation affecting the working classes.

As a result of its labors you now have upon the statute-books the law creating the National Bureau of Labor Statistics, and the law prohibiting the importation of contract labor.

I submit a list of bills reported from the Committee on Labor of the present Congress (Forty-ninth) which have passed the House and are now pending in the Senate, with the exception of the bill to legalize the incorporation of national trades unions and H. Res. 142, relating to convict labor, which have passed both Houses and become laws.

Arbitration bill (H. R. 7479) provides that in all controversies between railroad companies and their employés, if submitted to arbitration, the United States would give the arbitrators the power to send for persons and papers, administer oaths, in fact all the power of United States commissioners, and would pay all the expenses of the arbitration, the award to be filed with the Commissioner of Labor and to be made public by him.

TO LEGALIZE THE INCORPORATION OF NATIONAL TRADES UNIONS (SENATE BILL).

The term National Trades Union, in the meaning of the act, to signify any association of working people having two or more branches in the States or Territories of the United States for the purpose of aiding its members to become more skillful and efficient workers, the promotion of their general intelligence, the elevation of their character, the regulation of their wages and their hours and conditions of labor, the protection of their individual rights in the prosecution of their trade or trades, the raising of funds for the benefit of sick, disabled, or unemployed members, or the families of deceased members, or for such other object or objects for which working people may lawfully combine, having in view their mutual protection or benefit.

TO PROTECT MECHANICS, LABORERS, AND SERVANTS IN THEIR WAGES (H. R. 5310).

By providing that for all personal services rendered by any person acting in the capacity of mechanic, laborer, or servant, in the District of Columbia and Territories of the United States, no property shall be exempt from seizure and sale under execution.

CONVICT LABOR (H. RES. 142).

Authorizing and directing the Commissioner of Labor to make a full investigation as to the kind and amount of work performed in the penal institutions of the several States and Territories of the United States and the District of Columbia, as to the methods under which convicts are or may be employed, and as to all the facts pertaining to convict labor and the influence of the same upon the industries of the country.

CONVICT LABOR (H. R. 1622).

To prohibit any officer, agent, or servant of the Government of the United States to hire or contract out the labor of prisoners incarcerated for violating the laws of the United States.

CONVICT AND ALIEN LABOR (H. R. 5541).

To prevent the employment of convict labor and alien labor upon public buildings and other public works, and convict labor in the preparation or manufacture of materials for public buildings and other public works, and to regulate the manner of letting contracts therefor.

IMPORTED CONTRACT LABOR (H. R. 9232).

To amend an act to prohibit the importation and immigration of foreigners and aliens under contract or agreement to perform labor in the United States, approved February 26, 1885. The Secretary of the Treasury is charged with the duty of executing the provisions of the act, and may enter into contract with such State commission, board, or officers as may be designated for that purpose by the governor of any State to take charge of the local affairs of immigration in the ports within said State or may designate any person in any State to execute the provisions of this act, and it is their duty to examine into the condition of passengers arriving at the ports, to go on board of any ship or vessel; and if on examination there shall be found among the passengers any persons included in the prohibition in the act, such persons shall not be permitted to land.

All persons included in the prohibition in the act, upon arrival, to be sent back to the nations to which they belong and from whence they came; he expense of return of the persons not permitted to land to be borne by the owners of the vessels in which they came; any vessel refusing to pay such expenses not to be thereafter permitted to land at or clear from any port of the United States, and such expenses to be a lien on the vessel.

Sufferers by Overflow in South Carolina.

SPEECH

OF

HON. ROBERT SMALLS,

OF SOUTH CAROLINA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, July 31, 1886,

On the joint resolution (H. Res. 210) for the relief of the sufferers by the overflow of the Santee, Pedee, and Waccamaw Rivers in South Carolina.

Mr. SMALLS said:

Mr. SPEAKER: In presenting this resolution I am sure a brief and candid statement of the condition of things in the inundated country along the Santee, Pedee, and Waccamaw Rivers in South Carolina will so far appeal to the mercy and benevolence of this House and its committee as to secure for this measure early and favorable consideration.

The recent overflow of these rivers has inundated all the adjacent country, destroying the crops, devastating the country, and rendering houseless and homeless a large number of citizens. This being in a rice-growing locality, the people entirely depended upon the growing crop for their subsistence. By the destruction of this crop they are now confronted with starvation unless immediate relief is afforded.

The following letter from a reliable and respectable gentleman living in that vicinity depicts the suffering to which the people are subjected:

EXCHANGE, *July* 13, 1886.

Editor of the Enquirer:

I returned home this morning to find the country one mass of water. When I left I could look out from my door over hundreds of acres of green fields and busy laborers, all suggestive of prosperity and plenty. To-day I look over the prospect and behold only one dull, dirty, yellow mass of water. No sign of life presents itself, except the fast-running current and the bird of prey that soars overhead.

Men have been to me already asking for work and saying they had eaten the last in their houses. I can not find them work. Thousands are in the same condition here and elsewhere. The disastrous result of last year's cropping caused many to begin this year in debt and they are estopped from what they might otherwise do. What are we to do? The disaster is widespread. I do not know that it will be as severely felt in other sections as here, but here we stand to-day on the brink of a famine.

What are we to do? The State is the only power we can appeal to. She is the legitimate protector of her citizens. It is her part to secure them in life, prosperity, and liberty.

We should have concerted action and we should act before the dire emergency of a starving people is on us.

Let the Legislature be called together to devise the ways and means. Some will say it will cost too much. Well, if the necessary relief can be given without this expense, by all means let us have it. If not, the expense will be but a bagatelle in comparison with the relief to be given or in contrast with the suffering that will ensue.

There are yet three and a half months to the meeting of the next Legislature, and in this space of time relief ought to be found for many.

I offer these as suggestions in order that attention may be directed to the condition of affairs and some means devised for relief.

Respectfully yours,

BENJ. ALLISON.

No immediate relief can come from the State authorities, as the Legislature does not convene until November of the present year.

Mr. Speaker, Congress has not been deaf to similar appeals. When the terrible conflagrations desolated Portland, Me., and Chicago, Ill.; when the yellow fever made such fearful ravages in Memphis, Tenn., and in frequent cases when the Mississippi Valley was submerged by the overflow of the river, Congress with humane and generous heart and sometimes with lavish hand responded to the appeal for relief and saved many of its citizens from the agonies of starvation.

Mr. Speaker, this is no time for argument or hair-splitting constitutional disquisition. Through a visitation beyond their control we are informed citizens of this Republic are starving to death, and in the plenitude of its riches and the surplus in its Treasury you are humanely appealed to for a pittance which may save them from the terrible fate which threatens them, and in view of the emergency whose delay is death I earnestly appeal to the committee and the House to facilitate the consideration of this measure.

Increase of the Naval Establishment.

SPEECH

OF

HON. JOHN R. BUCK,

OF CONNECTICUT,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, July 24, 1886,

On the bill (H. R. 6664) to increase the naval establishment.

Mr. BUCK said:

Mr. SPEAKER: The people of this country are far in advance of the legislative branch of the Government on the subject of constructing an efficient navy. They are ready to have it built and are willing to pay for it.

Their interest in it has now reached the point of a most urgent demand for the necessary legislation. State Legislatures, commercial associations, and cities exposed to attack from foreign war fleets, have united in urging speedy action on this subject.

National pride is by no means the principal foundation for this interest in the Navy. It is believed to be a necessity, a means of national defense, a protection to coast cities, and to commerce on both ocean and river.

Our people have the traditions of the mother country in regard to the retention of power on the seas as a means of home defense. We separated from a country that maintained its national power by its ships of war, and to-day England relies on its navy to support its power abroad, while its great ironclads are used to defend its coasts rather than forts.

In 1775 Congress provided for a navy, and authorized the construction of fourteen vessels. It was the business of this Navy to cruise along our coast and intercept hostile vessels that came here to bring troops or to prey upon our commerce. This Navy comprised the following vessels:

First Navy.

	Guns.
Ship Alfred	24
Ship Columbus	24
Brig Lexington	16
Brig Cabot	16
Brig Reprisal	16
Brig Andria Doria	14
Brig Hampden	14
Brig Providence	12
Schooner Wasp	8
Schooner Fly	8
Sloop Hornet	10
Sloop Independence	10
Sloop Sachem	10
Sloop Musquito	4

Considerable attention was paid to the Navy after the war of the Revolution, and when the war of 1812 broke out we had seventeen cruising vessels and a few gunboats.

Our Navy did good work in that war, and the President, Essex, Hornet, Niagara, Detroit, and Lawrence are well-remembered names of vessels that added renown to our nation as a naval power.

The character of modern naval warfare, however, dates from the war of the rebellion. That conflict changed the character of war vessels throughout the world.

The Virginia, a confederate vessel, sailed out of Gosport navy-yard on March 8, 1862, and when off Newport News in turn attacked and destroyed the Cumberland and Congress, and was attacking the Minnesota when the day closed and the contest stopped. That evening the Monitor, an iron vessel, constructed by John Ericsson, came to the rescue of the Federal fleet. The next morning (March 9) the Virginia attacked this strange-looking craft and endeavored to run her down, but without success. The shells of the Virginia made no more impression on the little Monitor than the shells of the Cumberland and Congress made on the Virginia. Neither of these vessels could do the other much harm. However, the Virginia, together with the whole confederate fleet, retired from the scene of conflict, and although the Virginia returned to Hampton Roads some time afterward no contest followed.

This singular naval battle attracted the attention of all naval powers. The Virginia was an iron-clad ram, constructed out of the Federal vessel Merrimac which had been partly burned at Gosport navy-yard in April, 1861. According to the descriptions given of her she had an armored casement, constituted by a wooden backing which was 7 inches thick and covered with two layers of wrought-iron plates each 2½ inches thick, disposed horizontally and vertically one above the other. She also had a cast-iron stem or prow which projected 4 feet.

This armored casement was new to naval warfare and was a complete protection from the shot and shells of an opposing vessel. They struck its sides and fell harmless into the water.

The Monitor is described as a vessel which lay low in the water, of light draught, the top of the propeller near the water line, the propeller blades being protected by a projecting deck or stern overhang. The machinery and quarters of officers and men were below the water line and also protected by a side overhang. This side overhang, called "armor timber," consisted of armor and wood backing, bolted to the iron hull and supported by a horizontal girder placed along the side, assisted by vertical gussets of iron secured at intervals to the side by angle-irons. The wood backing was in two layers between these gussets, and the armor consisted of five 1-inch plates of iron and was bolted on outside of all.

Such was these character of the two vessels. Neither of them did much harm to the other; but it is quite probable that with guns of equal power in all respects, the Monitor would have overcome its adversary in the end.

This contest substantially changed the character of naval warfare.

Foreign nations had experimented with iron-clad ships, but this naval battle demonstrated their utility.

In 1843 our Government had contracted with Mr. Stevens, of New York, for an iron-clad vessel or battery for the defense of that harbor, This was probably the first iron-clad vessel known. In 1858 the French Government constructed some iron-clad vessels. That Government built the Warrior and the Gloire, the general characteristics of which are indicated in a table which I will print with my remarks.

Name.	Length.	Beam.	Displacement.	Draught forward.	Draught aft.	Thickness of armor at water line.
	Feet.	*Feet.*	*Tons.*	*Ft. in.*	*Ft. in.*	*Inches.*
Warrior	380	58	9,681	25 6	26 5	4½
Gloire	252	56	5,530	23 1	27 10	4.72

During this same period England had also built ironclads. The following table shows the characteristics of her iron-clad vessels at this time:

Name.	Length.	Beam.	Displacement.	Draught forward.	Draught aft.	Thickness of armor at water line.
	Feet.	*Feet.*	*Tons.*	*Ft. in.*	*Ft. in.*	*Inches.*
Agincourt	400	59	10,395	26 0	27 0	5½
Bellerophon	300	56	7,540	21 0	26 0	6
Iron Duke	280	54	6,034	22 0	23 0	8 to 6
Hercules	325	59	8,700	23 0	26 5	9 to 3
Nelson	280	60	7,323	24 2	24 2	9
Alexandria	325	64	9,492	26 0	26 6	12 to 8

At the close of the war we had fourteen ironclads, which we had constructed while the war was progressing, and which for that day were efficient ships. These still form a part of our naval establishment, but they are of but little use as against modern ships. Their speed, the material with which they were built, the small-powered guns they carry, will scarcely admit of their being called war-ships when compared with the steel-armed, fast-sailing, heavy-armed ships of the navies of to-day. Counting these ships and all others, except those commenced since 1874, and we had at that time eighty-one ships belonging to our Navy which could be used for the transportation of troops, and possibly for some other purposes in connection with the defense of our coast, but which could not resist the attack of a war-ship of the present day.

For some time prior to 1874, the Secretary of the Navy gave special attention to the subject of repairing the vessels of the Navy.

It was believed at that time that the best policy was to repair cer-

tain vessels which the Government then owned, and use them for coast defense. Our ironclad fleet had been useless since the war, and to utilize what there was left of it was thought to be good policy at that time.

The Navy Department proceeded to repair fourteen single-turreted monitors, and the expense was defrayed out of the appropriations for the Department. All that could be repaired, were repaired. These vessels are still in service.

Under authority of the appropriation acts of 1874–'75, the Department commenced the construction of five double-turreted monitors. These were the Amphitrite, Miantonomoh, Monadnock, Puritan, and Terror.

One of them, the Miantonomoh, lacks only her ordnance to be ready for service. The others are not as far advanced in construction.

It would not be considered as good policy to commence the building of such ships to-day; but they are nearly completed, and will be useful for coast defense or inland service.

The side armor of the Puritan amidship is 11 inches thick, her turret armor is 15 and 17 inches, and her displacement is 6,060 tons.

The Miantonomoh, Terror, Amphitrite, and Monadnock are vessels of similar type but of smaller displacement (3,815 tons) and power. Their side armor is 7 inches thick, armor on turrets 11½ to 12½ inches, and their armament consists of four 10-inch breech-loading rifles. Their speed will be from 10½ to 11 knots. The superficial area exposed (as a target) in broadside is about 820 square feet.

These ships will do very good service, and are probably as good as any of their class that would be brought against us in case of war.

In fact, England, which claims to take the lead in naval warfare, is building ships of the class of the Puritan.

The English double-turreted iron-clad vessel Conqueror, not quite completed, has been compared with the Puritan by our Navy Department and with the following result:

Comparative statement of Puritan and Conqueror (English).

	Puritan.*	Conqueror.†
Displacement.....tons ..	6,060	6,200
Length p. p.....feet...	280	270
Extreme breadth.....do.....	60	58
Mean draught.....do.....	18	23
Immersed midship section.....square feet...	1,037	1,145
Indicated horse-power.....	4,167	4,500
Maximum speed.....knots...	13½	13
Coal supply.....tons...	514	650
Number of turrets.....	2	1
Thickness of turret armor.....inches...	15 and 17	12
Thickness of deck armor.....do.....	3 and 2	2½ and 1½
Thickness of side armor amidships.....do.....	11	12
Thickness of side armor, bow.....do.....	10	8½
Thickness of side armor, quarter.....do.....	10	11
Thickness of side armor, stern.....do.....	8	0
Freeboard.....feet....	2½	10
Superficial area exposed (as a target) in broadside (about).....square feet...	907	3,900

* Armament, four 10½-inch B. L. R.
† Armament, two 12-inch and 4.6-inch B. L. R.

The armament, armor, and speed of the Puritan are superior to those of the Conqueror, while the individual heavy guns of the latter are superior to those of the Puritan.

The Hero, a sister ship of the Conqueror, has been launched within the past six months. The Puritan is a better ship to-day than the Conqueror, for she draws less water and has better speed and more impenetrable armor, being inferior in respect to her guns, which are not as heavy.

It is estimated that the following sums will complete these vessels, and these sums have been appropriated by this bill:

For the Puritan	$969,232
For the Amphitrite	651,084
For the Monadnock, including engines	918,942
For the Terror	638,788
Total	3,178,046

The Miantonomoh is at the Brooklyn navy-yard substantially completed. She needs an appropriation of $206,531 for ordnance, which is also provided for in this bill.

The cost of these five monitors up to the present time is as follows:

Amphitrite (commenced in 1874)	$940,526 62
Miantonomoh (commenced in 1874)	1,751,670 58
Monadnock (commenced in 1874)	938,139 63
Puritan (commenced in 1874)	1,155,591 83
Terror (commenced in 1874)	896,540 92
Total	$5,682,469 58

It has been twelve years since these vessels were commenced and it is time they were finished, and out of the ebbs and flows of party politics.

In 1881 the advisory board, then first appointed, considered the question of putting our Navy upon a more efficient footing. That board reported on November 7, 1881, that this Government should have a navy consisting of seventy vessels, counting thirty-two already in the service which could be used in certain kinds of service, and that thirty-eight new vessels should be built. Congress was asked to carry out this recommendation in part; but nothing was done until 1883, when an act was passed authorizing the construction of three steel cruisers and one dispatch boat. These were the Chicago, Boston, and Atlanta and the now well-known dispatch boat Dolphin.

This latter vessel is not designed for a fighting ship. She is now completed and is in commission. She is built entirely of steel of domestic manufacture, draws 14.25 feet of water, and has a speed of 15 knots per hour. The three cruisers are also built of steel, but none of these vessels have armor, and consequently are incapable of resisting the fire of modern guns. The material of which they are built, however, affords a certain degree of protection, and these ships will be useful and efficient in coast defense and for the destruction of the enemy's commerce. The Chicago will draw 19 feet of water, is to have a speed of 14 knots per hour, and will carry four 8-inch steel breech-loading guns, eight 6-inch and two 5-inch steel breech-loaders. The Atlanta will draw 16.10 feet of water, is to have a speed of 13 knots, and will carry two 8-inch steel breech-loading guns and six 6-inch guns. The Boston is built in all respects like the Atlanta. All three of these vessels will soon be in commission.

On March 5, 1885, Congress authorized the construction of two cruisers, one heavily-armed, and one light gunboat. Plans for these vessels are subtantially perfected, and it is expected that they will soon be put under contract or built by the Department. These vessels, with the five monitors, the Dolphin already finished, and the Boston, Chicago, and Atlanta approaching completion, thirteen in all, form the most effective part of our present naval establishment.

The bill under consideration is an important step in the direction of adding to this small beginning, and placing the Navy of the United States on a footing of respectability commensurate with the enterprise, the power, and the grandeur of a great nation.

It is a timely concession to a strong public sentiment that has at last made itself felt in the legislative body. Backed by the whole people, political parties need no longer fear to take the responsibility of appropriating money to construct ships of war.

The bill as originally reported from the committee, provided for the construction of three protected cruisers, 3,500 to 5,000 tons displacement; four first-class torpedo boats, one torpedo cruiser, and two armored vessels, 6,000 tons displacement. It also provided for the completion of the four double-turreted monitors, Puritan, Amphitrite, Monadnock, and Terror. One million dollars was appropriated toward the armament of the unfinished monitors and four vessels authorized by act of March 3, 1885, and of the vessels authorized by this bill and of the Miantonomoh. One hundred and twenty-five thousand dollars was appropriated to purchase torpedoes and $250,000 to improve navy-yards; in all, $6,425,000. This bill was the unanimous report of the Committee on Naval Affairs; but the managers of the majority of this House refused to give the committee a hearing unless the amount appropriated was reduced to $3,500,000 and the number of ships provided for in the original bill reduced one-half. It has accordingly been cut down. It was an unwise, injudicious, and unpatriotic conclusion and a great disappointment to the country, which is anxious that we should have a respectable Navy to defend our coast and protect our commerce.

In the substitute bill the two armored cruisers have no specific appropriation, and there is no provision for the torpedo cruiser. Section 8 appropriates $1,000,000 for armament of three vessels and of vessels authorized by act of March 3, 1885, and unfinished monitors, including the Miantonomoh.

The Secretary of the Navy is authorized to finish the monitors at an expense of $3,178,046.

Those provisions in the bill which allow the armor and other material to be purchased abroad in certain contingencies are unnecessary and should be stricken out. We must make our own armor and our own armament.

The bill also provides for the purchase of a boat armed with the pneumatic dynamite gun, a gun which if it accomplishes the results claimed for it by its inventors and owners, and which they are willing to guarantee, will make a radical change in respect to armament.

This gun placed at an elevation of 10° throws a projectile of dynamite a distance of 1 mile, which, when weighing 100 pounds, strikes a blow of 6,500 pounds to the square inch, and falling within 21 feet of the largest ship now known will sink her. If the projectile weighs 200 pounds and falls within 33 feet of the ship it will produce the same result. The use of this projectile will make short work of naval engagements.

The credit of the development of this destructive weapon is due to Lieutenant Zulinski, of the United States Army.

Mr. BUTTERWORTH. As I understand this provision it simply authorizes the Secretary of the Navy in his discretion to make this contract.

Mr. BUCK. That is all; and it is provided that he shall take a bond from the inventor and owner.

Mr. BUTTERWORTH. This matter was investigated somewhat by by our committee and was favorably considered, but we thought it best that if this "board" should be appointed the matter should be left to them.

Mr. BUCK. The amendment proposes simply to appropriate $350,000 to be expended for this purpose if the Secretary of the Navy deems it proper. If this provision should become law I am inclined to think it would revolutionize the question of armament of all war vessels, for this invention is, in my judgment, altogether the most deadly projectile ever discovered. It would destroy the largest ship of war afloat by throwing a charge of 100 pounds of dynamite, which, falling within 21 feet of the vessel, would certainly sink her.

Of course the ships provided for in this bill and the others in process of building can only be considered a beginning. We should be obliged to build some larger and more powerfully armed ships, if we expect to make adequate provision for the defense of the larger cities on the coast. Many of these cities can not be defended by shore fortifications and shore batteries, however powerful. Floating batteries, torpedoes, submarine mines, and dynamite shells will in the future be great factors in the question of the proper defense of our shores. At present we have no guns, no ships, no fortifications capable of doing effective work.

We have a few fortifications scattered along our seacoast which can be battered in pieces in a few hours if it was any object to do it. They are not capable of any resistance. The United States does not own a single gun that can pierce the modern compound armor of vessels like the Lepanto, Duillio, and other vessels of their rank. Such is our Navy and such the condition of our fortifications.

Admiral Porter declares in his last annual report that—

In considering our fortifications and naval vessels it is difficult to determine which are most behind the time. But all the forts we have at the Narrows in New York Harbor and all our present Navy could not prevent two first-class ironclads from entering the harbor and laying the city under contribution.

He could have said the same of Boston, Portland, New Orleans, and San Francisco. Our whole coast is completely at the mercy of any nation having a respectable navy. The fact is, we have no guns capable of penetrating a first-rate armored vessel of modern construction. And our fortifications and forts are in such a condition that we need some effective ships of war to protect them.

In the future this country will increase its trade with foreign countries. The trade from the South American states is naturally ours. It is the same with Mexico; and yet the great bulk of the South American and Mexican trade passes by us on the ocean and seeks other markets.

This can not continue. It is against the natural laws of commerce. More intimate relations will be cultivated between these states and our own country, and our merchants will in the future participate in the trade of these countries. Nor will the growth of our foreign commerce be confined to these sections of the world. We shall have something to sell to European and other countries. Our trade is on the increase and our exports exceeded our imports last year. The account is as follows:

Exports, eleven months, ending May 31, 1886	$611,206,638
Imports, eleven months, ending May 31, 1886	581,116,652
Balance in our favor	30,089,986

This growing commerce necessarily involves large amounts of property, and it will often happen that our merchants will be the owners of both real and personal estate in distant countries, the outcome of business complications, or representing the capital necessary for their business transaction.

This property should be protected by our own flag. We should have a navy sufficient for this purpose, and citizens who are pursuing their avocations in foreign countries, are entitled to the same protection, both in person and property, as though they were pursuing it within our own borders. At home or abroad, on land and on sea, each citizen of the United States is entitled to the full and complete protection of its laws, and our Government is a failure if it does not furnish that protection at whatever cost.

Mr. Speaker, the interest which our Government had in the Panama difficulty was a property interest. It was believed that if the insurrection succeeded the United States property there would be damaged if not destroyed. Accordingly our fleet appeared on the scene and did good work in quelling the disturbance. It was, however, a fortunate thing that the fleet had no opposition. It was not attacked by any first-class modern ship of war, and so it came off safe, the expedition costing the Government about $21,000. Just now we are needing one or two first-class ships to aid diplomacy in the fishery question. We construe treaties and issue our decrees and proclamations, but how can we enforce them? What power save a land expedition could force our neighbor to respect our rights in her waters.

The Dominion of Canada claims that the treaty of 1818 determines the commercial rights which our citizens have within its waters, and have recently enforced their statutes in accordance with this view. Our Government, however, claims that legislative arrangements made since 1818 having the force of treaties determine this question. They seize the vessel property of our citizens, and the question of confiscation is being tried in the local courts, defended by attorneys sent there and paid by the United States Government.

Attorneys are all very well, but one first-rate steel-armored ship with armament of modern make and efficiency, cruising in northern waters would be a powerful help in bringing about a mutual understanding, especially if backed by a fleet of steel armored ships at home.

In case of war we need fast-sailing and powerful ships to patrol the sea and destroy the commerce of the enemy, as well as to visit his own harbors and seacoast, and by engaging him at home cripple his power of offensive warfare on our own coast, and compel him to use his resources in self-defense.

The defense and protection of our citizens when engaged in commerce with foreign countries, is but a small part of what a navy is needed for.

The property along our coast is inadequately protected. The cities and border towns, and all vessels engaged in the coast and river trade, comprise wealth almost untold, and are the sources of large revenues to the Government.

These have substantially no protection from a hostile fleet. No duty of the Government could be plainer than that of defending the property of its own citizens on its own soil.

The shelling of New York, Baltimore, New Orleans, Boston, or San Francisco would be a calamity to the whole country. From these cities the lines of commerce and trade reach to every portion of the inland country, and any damage to them would be felt in every part of our land.

Mr. Speaker, I believe there is no division of opinion on this subject in any part of the country. The gentleman from Ohio [Mr. BUTTERWORTH], broad-minded and broad-shouldered as he is, in his speech a few days ago on the floor of this House, on the subject of fortifying our coast, placed the argument on the proper ground, and bore a grateful message to those living on the seacoast, and who have sometimes thought that the inland States failed to fully appreciate the danger to which we are exposed in case of war with foreign countries.

The power of modern guns and their range are constantly being improved. England, including those in service and those now building, has twelve ships which carry thirty-eight of the heaviest high-power guns, with a range of over 10 miles. France already has five ships carrying sixteen guns with equal power and range, and has in process of construction twelve more, carrying twenty-five guns of the same range. Other nations have guns which are the equals of any of these in power and range, making in all forty-three war ships, carrying one hundred and seventeen guns, all available against us in case of war. Sixteen of these ships draw less than 26 feet of water, and consequently can enter the harbors of New York and Boston. Of course they can also enter the harbors of Portland, Narragansett Bay, Long Island Sound, New London, San Francisco, and some other ports.

While there are few, if any, ships now afloat which could endure the strain produced by firing the heaviest high-powered gun placed at an elevation necessary for the range of 10 miles, they can be constructed with sufficient strength for that range, and probably will be in the near future.

Experiments have shown that armored vessels as at present constructed are unable to endure the effect of the heaviest guns, when mounted in forts, within a distance of 2 miles. It follows from these facts that any harbor would be defended by the construction of forts and shore batteries at a distance of 8 miles from the place to be defended.

Of course floating batteries could be built that would answer the same purpose as shore batteries, or guns mounted inside of fortifications. These could also be aided by torpedoes, submarine mines, and vessels of the type of Ericsson's Destroyer, a submarine craft carrying a heavy submarine gun for the discharge of a projectile torpedo. With these facts in mind, by an examination of the characteristics of different ports, we can readily see to what danger we are exposed.

Portland Harbor, with a depth of water of 21 feet and the mean rise and fall of the tide being 8 feet 9 inches, could be approached by an enemy's fleet within 6 miles and yet be 2 miles from any fort that could be built near the entrance.

Boston, 21 feet 9.4 inches, could be approached within 6¼ miles of the State-house, although heavy guns were mounted at the east point of Nahant, and on the outer islands of the harbor. They could get into Broad Sound. This would be a little more than 2 miles from these heavy guns on the points named.

Newport inner harbor, 19 feet 3.9 inches, would be within shelling distance from deep water.

New York, 23 feet 4.8 inches, outer defenses on Sandy Hook, Dry Romeo, and Coney Island. Brooklyn could be shelled even with proper defenses at the above points. The soundings off Coney Island indicate that some of the largest ships in the world from this point could shell the lower part of New York, or place that city under contribution.

Philadelphia (20 feet 6 inches), Washington, D. C. (19 feet 1.4 inches to Greenleaf Point), Baltimore (24 feet 1 inch), Savannah (9 feet 7 inches, southwest part of the river), can all easily be defended at no very great expense, but they have no defense at present.

New Orleans, at head of passes, 26 feet .6 inch: The bed of the entrance is constantly changing and the nature of the ground is such on the shore that forts would be impracticable. It is not now defended at all, and is incapable of defense except by mines, torpedoes, floating batteries, and ships of war.

San Francisco, 33 feet 3.6 inches: This harbor has great depth of water with a strong current. The city is within range of heavy guns

for some distance on the shore. It can only be defended by floating batteries and ships of war on account of the depth of water.

These are only the leading harbors on our coast.

Long Island Sound can be occupied by the navies of the world. With deep waters and safe anchorage it invites the presence of a hostile fleet. New Haven and Bridgeport and all the rich towns that are situated on the coast of Connecticut are within shelling distance of deep water, and could be destroyed by a hostile fleet, while one of the main approaches to the city of New York from the sea would be cut off if this body of water were occupied by an enemy. Daniel Webster once said of this body of water that it was such a busy place of commerce the Government should keep it lit up like a ball-room.

New London, 21 feet 2.5 inches (inner harbor): The outer harbor has about 30 feet on the bar at mean low water. This would admit the largest ship. Long Island Sound is indefensible by shore batteries or forts. Floating batteries and large ships only can afford adequate protection.

Chesapeake Bay, with its numerous commercial connections, is also incapable of shore defense. The defense of this important section of the country must be by floating batteries and ships, torpedo boats, &c.

Narragansett Bay is in similar condition.

For the defenses of Long Island Sound, Hampton Roads, Mississippi River, and San Francisco, the board on fortifications or other defenses have recommended three different types of vessels.

The first, of "7,000 tons displacement, and carrying two 16-inch guns in a turret and one 10-inch gun in barbette." "The hull is protected by a belt of steel armor 18 inches thick and 175 feet long, with a backing of 6 inches of wood and an inner plating of 2 inches of steel."

The second, having a displacement of "6,500 tons, mounting two 14-inch guns in a turret and two 10-inch guns in barbette, and protected by 16 inches of steel armor for a length of 160 feet."

"The third type has a displacement of 4,000 tons, mounting two 12-inch guns in a turret and two 10-inch in barbette, on a draught of 14 feet 6 inches. This type is protected by side armor 12 inches thick extending for 132 feet of her length."

Cost of vessels for the defense of Long Island Sound, Hampton Roads, Mississippi passes, and San Francisco.

Posts.	Vessels.			Guns.				Total cost each port.
	First type.	Second type.	Third type.	16-inch.	14-inch.	12 inch.	10-inch.	
Long Island Sound	.....	2	2	.....	4	4	8	$11,550,000
Hampton Roads	.....	2	2	.....	4	4	8	11,550,000
Mississippi River	2	.....	.....	4	.....	.....	2	8,150,000
San Francisco	.....	3	.....	.....	6	.....	6	10,725,000
Total	2	7	4	4	14	8	24	41,975,000

This plan of defense involves a large expense, and it is a serious question whether adequate defense could not be obtained for these localities for less money.

The first care of the Government should be to prepare for attack, New York, Boston, Baltimore, New Orleans, and San Francisco.

The custom of modern warfare is to levy contributions and stipulate for indemnity to defray the expenses of the victorious army or fleet. Of course every one knows that all along our coast are to be found cities rich in manufactures and commerce, of vast banking and commercial capital, and containing beautiful and costly buildings.

It is, however, an indisputable assertion that within three weeks from a declaration of war against us by either England, France, Italy, or Spain, the cities of Boston, New York, Baltimore, New London, and Portland could be put under contribution or else suffer bombardment.

It is, of course, impossible to get at the value of the property that would be exposed in case of war.

The report which accompanies this bill gives a statement taken from a paper by Lieutenant Griffin, of the Army, of property on our coast which would be within reach of an enemy's guns in case of war. The statement is as follows:

Portland	$33,000,000
Boston	471,000,000
New York	1,895,000,000
Jersey City	173,000,000
Philadelphia	789,000,000
Baltimore	219,000,000
New Orleans	176,000,000
San Francisco	180,000,000

This list omits all mention of Wilmington, Charleston, Savannah, Jacksonville, Mobile, and in fact of the entire Texas and Pacific coast, except San Francisco. It also omits the cities of Newport, Providence, and places on Narragansett Bay, as well as New London, New Haven, and Bridgeport, and other towns on the shore of Connecticut.

In addition to the property on the land, our people have a large amount of property invested in vessels engaged in the coast and river trade, not including vessels used entirely on inland waters. This property would be swept from the ocean in ninety days after war was declared against us by any respectable naval power.

Notwithstanding the general impression that our merchant marine is of little value, and notwithstanding the fact that it is not as large as it should be, it still commands a large amount of capital and is doing a vast business.

The total number of sailing vessels is 14,489, with a tonnage of 1,918,067.13, and we have 2,693 steam-vessels with a tonnage of 755,752.84; besides these, we have 256 canal-boats, 940 barges, and many fishing vessels.

Most of these vessels are engaged either in the coast trade or are on rivers having a navigable outlet, and in case of war would be exposed to destruction by a hostile fleet.

These vessels, in case of war, must all disappear from our coast at once, for we can not protect them.

It is a great mistake to suppose that many of the best war ships owned by foreign countries can not enter our ports. A somewhat vague impression exists that owing to our shallow ports no vessel of any considerable size and power could enter them. This is true of some of them, but a large majority of the war fleets of other nations can enter any of our ports, and many of the best ships that float, carrying the most powerful guns, can come into New York and Boston Harbors, and nearly all of them can easily come into the harbors of Portland, Narragansett Bay, New London, Long Island Sound, Hampton Roads, and San Francisco. With the permission of the House I will print in the RECORD a table taken from figures and statements from official sources and found in the report of the Endicott board, including soundings made by our Government, showing what vessels owned by leading nations can enter our principal ports.

Table showing number of vessels owned by leading nations which can enter ports of the United States, the number of guns they carry, draught of water, &c.

Ports.	Draught of ships which can enter.	England.			France.			Italy.			Russia.			Germany.		
		Number of ships.	Guns which will penetrate 12 to 20 inches.	Guns which will penetrate 20 to 33 inches.	Number of ships.	Guns which will penetrate 12 to 20 inches.	Guns which will penetrate 20 to 33 inches.	Number of ships.	Guns which will penetrate 12 to 20 inches.	Guns which will penetrate 20 to 33 inches.	Number of ships.	Guns which will penetrate 12 to 20 inches.	Guns which will penetrate 20 to 33 inches.	Number of ships.	Guns which will penetrate 12 to 20 inches.	Guns which will penetrate 20 to 33 inches.
Portland	Any draught															
Narragansett Bay	do	97	589	.....	51	235	.....	18	116	.....	24	56	.....	22	65	.....
Hampton Roads	do	15	.....	50	16	.....	44	9	.....	36	.....	.....	.....	.....	.....	.....
San Francisco	do															
Boston	Less than 26 feet															
New York	do	72	348	.....	28	82	.....	9	28	.....	21	56	.....	22	65	.....
New Orleans	do	2	.....	4	7	.....	18	.....	.....	.....	.....	.....	.....	.....	.....	.....
Baltimore	Less than 25 feet	69	316	.....	26	74	.....	7	14	.....	19	30	.....	20	49	.....
		2	.....	4	7	.....	18	.....	.....	.....	.....	.....	.....	.....	.....	.....
Philadelphia	Less than 23 feet	61	259	.....	16	32	.....	7	14	.....	18	26	.....	18	41	.....
Norfolk	do				1	.....	2	.....	.....	.....	.....	.....	.....	.....	.....	.....
Pensacola	Less than 21 feet	51	165	.....	11	14	.....	7	14	.....	18	26	.....	18	41	.....
Washington	Less than 20 feet	43	77	.....	11	14	.....	7	14	.....	18	26	.....	18	41	.....

It will be seen that England has 72 ships carrying 348 guns capable of penetrating from 12 to 20 inches of wrought iron, and 2 ships carrying 4 guns which can penetrate from 20 to 33 inches, all of which can enter the harbors of New York and Boston so far as depth of water is concerned. These two ships owned by England are among the best war ships in the world.

Our Government, however, is the owner of no vessel which could offer any obstruction to any one of these vessels.

France has 7 ships of the best type carrying 18 guns which can penetrate from 20 to 33 inches, all of which can enter these two great harbors of our country.

It is unnecessary to state further details. I need only to say here that, according to the report of the Committee on Ordnance and War Ships, there are 198 ships of war owned by foreign countries which are available for hostile demonstrations on our coast, with 42 more in process of construction, making a total of 240.

We can not expect to cope with England, in the present generation at least, as a naval power, but we can at least build a navy capable, in connection with forts, torpedoes, and shore batteries, of defending the most important points on our seaboard.

The only point where we could start on an equal footing with the mother country is on the great lakes between this country and Canada. But unfortunately we made a treaty with England in 1817 by which we are prohibited from building or maintaining a navy on any of these lakes.

This treaty, which was proclaimed April 28, 1818, provided that the naval force on those waters should be reduced as follows:

On Lake Ontario, to one vessel not exceeding 100 tons burden and armed with one 18-pound cannon.

On the upper lakes, to two vessels not exceeding like burden each and armed with like force.

All other armed vessels on these lakes shall be forwith dismantled and no other vessels of war shall be there built or armed.

Such has been the improvement in war vessels and their armament since this treaty was made, that these provisions and stipulations amount to an absolute prohibition of the building and maintenance of any respectable naval ship or force on these inland waters.

Judging from the past, we may reasonably expect that our country will not be an exception to other nations in settling disputes by a resort to arms. The history of our country shows that we have had our full share of war. We have been engaged in wars with foreign countries and within our own territorial limits. Besides the war of the rebellion, we have had numerous cases of calls by States on the Government for military aid in suppressing riots and unlawful assemblies, too powerful for the State authorities to cope with. We have on our pension-rolls 345,125 pensioners, calling for an expenditure of $61,933,288.12 last year.

The day of universal peace, when men will learn no more war, may come, but there is very little indication of it now.

As we have already shown, the late civil war developed a new class of war ships. It tested some of the new ideas that existed in the minds of mechanics and inventors on this subject, and it turned the efforts of all nations into new channels in reference to ship-building. Other nations were not slow to appreciate the lessons taught by that contest. Our own country stands alone in not making use of the experience which cost us so much. We demonstrated the utility of iron ships, built fourteen ironclads, and then, the war being over, stopped all work in that direction while other nations took up the subject where we had left it, developed our discoveries, and perfected our inventions. It has been said that by waiting we have profited by the experiments of others. In some respects this may be true, but iron-clad ships built by us during the war, have been copied by England and other nations for twenty years, and although the thickness of the armor has been increased and steel has been partially substituted for iron, still the class of ships known as monitors, and constructed substantially on the same plan as our own, are still considered as the best war ship afloat, and England is building thirteen of them the present year.

However much we may have profited by this policy of waiting for others to make experiments for us, it is clear that we can now with safety venture to build ships both for defensive and offensive warfare.

It is not probable that war ships will ever be built of any better material than steel, or that they will carry guns very much more powerful in range or penetration than they now carry.

Steam has taken the place of sailing power, but sailing apparatus is still retained in connection with steam power as being less expensive, especially in time of peace. Wooden vessels have been superseded by those constructed of iron, and iron as material for construction is being set aside for steel.

Steel armor is taking the place of iron, but wrought-iron armor is still used, and has been found very effective in resisting some of the most powerful guns.

We should at least make a beginning, and we should begin at that point of perfection already reached by other nations, both in respect to guns and ships. We do not need to wait longer for experiments to be made for us. We can enter upon the work of building and experimenting for ourselves. Our mechanics are as skillful and our material as good as any in the world. We are not too poor to defray the expense of the preparation for war; and while we are a nation of peace, and are engaged in the pursuits of peace, experience teaches us, as it has taught all other nations, that mankind will resort to war and bloodshed for the settlement of disputes which the arbitrament of peace should determine, and that military conflicts with and without cause are still to be expected and provided for.

Interstate Commerce.

SPEECH

OF

HON. JOSEPH G. CANNON,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 21, 1886,

On the bill (S. 1532) to regulate commerce.

Mr. CANNON said:

Mr. SPEAKER: I only have time to say a word touching this bill. On the 12th day of May last what is known as the Cullom interstate-commerce bill passed the Senate and it has been pending in this House since that time. I believe it is a wise bill. It was fully discussed in the Senate. The gentleman from Texas [Mr. REAGAN] with the Democratic majority have allowed eight months of this session to pass without considering and passing any bill upon this subject, and now, just as Congress is ready to adjourn, not intending to secure legislation upon this subject, bring forward what is known as the Reagan bill and seek to rush it through under the spur of the previous question without debate and without amendment and consideration. The object is to enable them to make a poor excuse to the people for not at an early day in the session intelligently considering and passing a wise bill.

I believe the Reagan bill if enacted into law would not give the required relief, and fear it would work absolute harm to the producers and consumers of the country. This House has refused to accept the Cullom bill, and has substituted against my vote the Reagan bill for it. It is an open secret that the Democratic majority of this House will not accept the Cullom bill. They seem determined to have the Reagan bill or nothing. However, there may be a bare chance in a conference with the Senate that some bill with apt and wise provisions may be agreed upon, and for the purpose of taking the chances of such agreement I vote for the Reagan bill so as to get both bills in conference between the House and Senate. I shall be agreeably surprised if the other side of the House shall do one wise thing before this Congress adjourns in agreeing to an apt bill upon this subject.

Local Railways in the Indian Territory.

SPEECH

OF

HON. JAMES BUCHANAN,

OF NEW JERSEY,

IN THE HOUSE OF REPRESENTATIVES,

June 16, 1886.

On the bill (S. 1486) to authorize the Denison and Washita Valley Railway Company to construct and operate a railway through the Indian Territory, and for other purposes.

Mr. BUCHANAN said:

Mr. SPEAKER: This bill ought not, in my judgment, to become a law, at least without serious amendment.

It proposes to authorize the construction of a railroad from a point on the Red River, near Denison, Tex., through the southeastern portion of the Indian Territory about 65 miles in length, to a point on the proposed Saint Louis and San Francisco Railroad. It is one of a series of bills presented to this Congress the passage of which will cut the Indian Territory in every direction. A partial list of these bills comprises the Kansas City, Fort Scott and Gulf Railway, the Chicago, Kansas City and Nebraska, the Kansas and Arkansas Valley, the Saint Louis and San Francisco, the Fort Worth and Denver City, the Saint Louis, Baxter Springs and Mexican, the Southern Kansas, the Pacific and Great Eastern, the Wichita and Arkansas Valley, the Denison and Washita, the Rogers, Siloam and Muscogee, the Saint Joseph, Kansas City and Arkansas, and the Winfield and Fort Smith. These bills show that in spite of solemn treaty obligations, in violation of the plainest principles of justice and fair dealing, greedy corporations are seeking to overrun this Territory. If more were needed to demonstrate the readiness of the whites to take possession of this country the numerous bills introduced here and in the Senate looking toward the overthrow of the power of the Indian legislatures in that Territory would be confirmatory proof.

Some of these bills are: A bill conferring civil jurisdiction on the United States courts; a bill to authorize the execution of civil process; a bill establishing United States courts therein (seven bills); a bill to open to homestead settlement certain portions thereof; a bill to establish Territorial government for said Territory.

In favor of the passage of bills of the character of the one under consideration it has been urged that the Territory should not lie in the path of progress; that great through lines connecting great sections of the country with their large and important interests should not be hindered.

However much force may lie in this argument, it can not be applicable to this bill. It is no through line. It connects with a road not yet built, and which when built will of itself furnish a through line. House Report No. 769, first session Forty-eighth Congress, adopted by the Committee on Indian Affairs of the present Congress, speaking of the road authorized by this bill, says:

> That the road sought to be built will secure to Texas an independent and competing outlet for its rapidly increasing commerce. It is about 65 miles in length, and will connect the Saint Louis and San Francisco Railway with the three lines of road in Texas now having their northern termini at Denison—

Naming those roads. But this outlet will be secured by the Saint Louis and San Francisco road, and this connection can be secured by way of Paris and Dallas by building a road entirely in the State of Texas, and no greater in length and no more expensive to build than the road sought by this bill.

The true reason for this bill is found, I am confident, in another part of that report which says:

> It passes through a portion of the Indian Territory in which there are large deposits of excellent coal that is much needed by the people of Northern Texas, who are now paying more than double the price at which coal can be profitably laid down at their doors as soon as this road is constructed.
> That the timber along its line, now valueless, is and will be much needed by the country seeking to reach it by means of this road.

Texas wants this coal and this timber. There is no timber there to spare. Recent personal observation enables me to say that the portion of Texas affected by this bill is as well, if not better, supplied with timber as is this portion of the Indian Territory. If Texas wants timber, let her use her own, and not seek to despoil her neighbors, even though those neighbors happen to be Indians. Having objected on Saturday, June 12, to the consideration of this bill, I was favored June 13 with the following telegram:

> DENISON, TEX., *June* 13, 1886.
>
> In the name of thirteen thousand citizens of Denison we beg you not to delay the passage of the Denison and Washita Valley bill. The company is ready to commence work, and it will give immediate employment to thousands of idle men here who are suffering for work. Its passage is of vital importance to this country.
>
> P. O'DONNELL,
> B. N. CARTER,
> H. TONE,
> J. A. TUPER,
> J. D. YADCUM,
> G. G. RANDELL,
> TOBIAS PORTER,
> W. B. BOOS,
> *Councilmen.*
> SAM'L HANNA,
> *Mayor.*
>
> Hon. J. BUCHANAN,
> *House of Representatives, Washington, D. C.*

I have the pleasure of a personal acquaintance with a number of these gentlemen, and know them to be among the most respected business men of the citizens of Denison. I have visited them at their places of business, and know their standing. It will be noticed that they say nothing about the interests of the Indians. They urge solely the interests of their own section. As truthful men, they could do no more; as honorable men, they have done no more. Much as I admire the business enterprise and sagacity which has in so short a time built up their thriving and enterprising city, I can not forget that Indian treaty obligations set apart this Territory for the use and occupation of the Indians, not of the inhabitants of Texas. This bill is for a local purpose. Local interests are behind it, and will receive the benefit.

But even if the construction of the road were justifiable, the details of this bill are in many respects improper and should be amended. The bill grants a right of way 100 feet in width for a road-bed, with an additional width of 100 feet on each side, 300 feet in all, at "cuts" and "fills." It also grants an additional strip 200 feet in width by 3,000 feet in length for station purposes every 10 miles along the road. This additional strip the company can use for railroad purposes only, but the bill authorizes the company to locate thereon their "officers, servants, and employés." Under this provision the company may fill this strip with buildings and dwellings, and effectually cut off the Indian inhabitants of the Territory—the owners of this land—from occupancy of any but the back streets. It would seem but simple justice to put some limitation upon this provision.

The provisions for the condemnation of, and compensation for, the lands to be taken are justly subject to criticism. The title to these lands is in the Indian tribes, each tribe holding collectively the title to the portion occupied by such tribe, and each individual being allowed to own his improvements, with privilege of sale and transmission by inheritance. I will not stop to inquire as to the nature of the Indian title further than this. The question whether the fee-simple reverts to the Government or has passed by treaty to the tribes need not concern us here. The use—the permanent use—was, all agree, granted by treaty to the tribes.

The provision for condemnation of, and compensation for, improvements made by the Indian farmers is peculiar.

The commissioners to appraise these damages are to be three in number—one to be appointed by the President of the United States, one by the chief of the tribe, and one by the company. Is that just? Is that fair? Who will be the more likely to reach the President with suggestions as to names, the influential corporation or the obscure and poor Indian farmer? The question answers itself. The third commissioner is to be appointed by the company. In other words, the party direct in interest is to select one-third the jury. If this privilege is accorded to the company, why is it not given to the claimant also? Why taken from him and given to the chief of his tribe? If he desire the services of his chief in the selection nothing now prevents his calling upon such chief.

Why compel him to submit to such selection; even chiefs are not beyond suspicion. Either give both parties this privilege or deny it to each. In case the decision is not satisfactory, either party may appeal to the United States court sitting either at Fort Smith, Ark., or at Dallas, Tex. This provision will work hardly on the claimants. These courts are held a long distance away, and the expenses of an appeal will be heavy. The claimant will be compelled to pay heavy transportation charges for himself and witnesses, to pay lawyers' fees, and endure the expense attendant upon a protracted trial, fought with all the pertinacity and annoyances which the counsel of corporations know so well how to employ. He must also face a jury of white men with all the antipathy to his race held by the settler on the frontier. He may get justice, but the conditions will all be against him.

For the use of the land itself—and as this is a permanent use it is equivalent to the grant of the land itself—the company is to pay the munificent sum of $50 per mile and the further annual payment of $15 per mile per year, or a total price of $3,250 for a strip of land of the widths named and 65 miles in length, and charged with the annual payment of $975. These amounts are to be paid to the Secretary of the Interior, who is to apportion them among the several tribes. These amounts are ridiculously small. In case any tribe is dissatisfied with this such tribe may have the value of the land determined in the same manner provided for the determination of the value of improvements, with the same objectionable machinery and methods.

The bill contains no provision for fencing the line. It is true the word "fences" is used in the bill, but in such a blundering way as to leave the company without obligation to fence save at road crossings. There should be a provision clearly and definitely requiring the company to fence their whole line. The Indians in this portion of the Territory are civilized and engaged in farming. They have herds of cattle which graze upon the rich pastures of the prairies and river bottoms.

In May last, while in the Creek Nation, noticing that but few of the Indian farmers were located near the line of the railroad, I asked the chief of that nation, Mr. Perryman, a well-educated and very intelligent gentleman, the reason for this. He informed me that the cars had killed so many of their cattle that they were compelled to move back away from the line of the road. By the way, it may be well to say right here that the Indians in the Territory are civilized. They have their churches and schools, their chiefs, legislatures, judges, and other officers; and person and property are as safe there, save from white ruffians and desperadoes, as anywhere else in this country.

There should be in this bill effective means to secure to these Indian farmers recovery of damages for cattle killed on the road or for destruction of grass, hay, or other crops, timber, or bulidings by fire from the locomotives. In each such case, without such provision, the claimant must go out of the Territory to a strange court, before a jury of a strange people, at great expense and trouble, to secure his rights.

Another question arises as to the power of Congress to grant the rights conferred by this bill without the consent of the Indian nations occupying that portion of the Indian Territory through which the proposed road will pass. This question has as yet received no consideration whatever at our hands. The right has been taken for granted. In this connection the following words from a protest against the passage of some other bills authorizing the construction of railways through the Territory, which protest is signed by the representatives of the Choctaw and Chickasaw Nations, would seem to be worthy of thought:

> Although it is clear that the right of eminent domain over the Indian Territory is vested in the United States, and that this right is incapable of alienation while the Territory remains subject to the jurisdiction of the United States, it is, at the same time, certain that in the treaty of April 28, 1866, the United States gave their implied promise not to exercise that right any further for the benefit of railway corporations. Only in a case where great and urgent public interests require a line of railway between given points through the Indian Territory can the United States be justified in exercising the right of eminent domain in favor of a railway corporation, even in the absence of this implied promise of the treaty of 1866.

I suppose there is no hope of preventing the passage of this bill. The white man's greed seems to stop at no treaty stipulation or honorable restraint. The "wants of commerce" is the ever-ready excuse for fresh spoliations, and at the present rate the day is not far distant when this Territory, solemnly set apart by treaty for homes for these people, will be cut in every direction by railroads built, not in the interests of commerce but in the interests of greedy and soulless cor-

porations, seeking not to carry simply a commerce across the Territory from border to border but to seize upon and appropriate the natural resources of that Territory.

Whatever may be said as to the policy of allowing lines for through traffic there ought to be no question about restricting these grants to such and I desire to put on record my protest, not only against this particular bill, but against that whole class of similar bills not yet acted upon but ready to be brought forward at any time, and to demonstrate by such protest that there is at least one who believes that there are some rights possessed by these nations which even the American Congress is bound to respect.

Hennepin Canal.

SPEECH

OF

HON. THOMAS J. HENDERSON,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, July 20, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the amendments of the Senate to the bill (H. R. 7480) making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes—

Mr. HENDERSON, of Illinois, said:

Mr. CHAIRMAN: This amendment provides, first, for the acceptance of the Illinois and Michigan Canal by the United States from the State of Illinois, and, secondly, for the construction of a canal from the Illinois River at or near Hennepin to the Mississippi River, at or near Rock Island, so as to give a continuous line of water transportation from the head of navigation on the Mississippi River to the Atlantic seaboard at the city of New York. This simple statement, it occurs to me, should in itself commend the provisions of this amendment to the careful, candid consideration of every member of the House.

A single glance at the map of the United States would, in my opinion, do more to commend the construction of the so-called Hennepin Canal to the favorable consideration of members of the House than any words I can utter.

This short line of canal, as will be seen by reference to the map, will connect six or seven hundred miles of the navigable waters of the Upper Mississippi River with the lake system of navigation, and then by the Erie Canal and the Hudson River with the Atlantic seaboard at New York; and if water transportation is of any value I appeal to the honest judgment of every member of this House to know if this is not an important measure, and yet it has been characterized as a mere scheme, an impudent job, a raid on the United States Treasury.

Is there no merit in a proposition to bring the city of New York, the great commercial metropolis of the country, into closer connection with the great grain-growing States, lying west and south of the lakes, by a cheap line of water transportation? It seems to me there is, and I confess I have been greatly surprised at some of the criticisms upon this measure which have appeared in some newspapers published in parts of the country deeply interested, in my judgment, in its success. For whether I am right or wrong I firmly believe that a more perfect connection between the lakes of the North and the Mississippi River such as is proposed by the amendment under consideration is in the interest of the great and rapidly growing commerce of the country. There is, in my judgment, no internal improvement proposed anywhere in the United States of greater national importance, unless it may be the improvement of the Mississippi River, of which this canal, if constructed, will form a most important part.

And now, Mr. Chairman, as to the acceptance of the Illinois and Michigan Canal by the United States, I desire to say a few words before proceeding to a general discussion of the amendment.

The Illinois and Michigan Canal was built by the State of Illinois. But the United States granted to the State by acts of Congress lands to aid in such construction with the following proviso:

That the said canal when completed shall be and forever remain a public highway for the use of the Government of the United States, free from any toll or other charge whatever.

This grant of land by the United States, and the acceptance of the same by the State of Illinois, undoubtedly created a legal obligation on the part of the State to forever maintain the canal and keep it open as a public highway or water way for the purposes expressed in the acts of Congress referred to. Now, why should the United States accept this canal from the State of Illinois? Is it because it has become a burden to the State? Not at all, for it has never been a burden to the State. It has never cost the State of Illinois a single dollar to maintain this canal.

The tolls, although kept low in the interest of the people, have not only been sufficient to maintain the canal and pay the expenses of operating it, but about two millions and a half of dollars have been paid into the treasury of the State from them, some seven or eight hundred thousand dollars of which have been expended in the improvement of the Illinois River, and which the General Government itself should have expended. And all this has been done notwithstanding a railroad runs along the entire line of the canal and has done so since 1853, and which conforms its own freight charges to the charges made on the canal during the season of navigation. And every one acquainted with the facts knows that the freight charges on this road are less where it is compelled to compete with the canal than they are on other sections of the road. And so do those know who are familiar with the subject that other roads, affected more or less by the cheaper transportation on the canal, are compelled to make lower rates on such parts of their respective roads as come under the influence of such cheaper canal transportation.

No, Mr. Chairman, the Illinois and Michigan Canal has never been a burden to the State of Illinois, and it is not now a burden. On the contrary, with its completion it brought prosperity to the State, and from that hour to the present time it has been a benefit and a blessing to the State. It has helped to build up the most wealthy and prosperous counties of the State which lie along its borders; and I think, I know what I say to be true, that it would come near creating a revolution in these counties if an attempt should be made to abandon this canal. And it makes no difference whether the tonnage has been large or small so long as the canal is maintained and ready to carry freights. These people know the benefits it secures to them in giving to them cheaper transport.

Mr. Chairman, I firmly believe that the best and surest check which the people of this country can have upon the greed of mammoth railroad corporations will be found in the improvement of our natural water ways, and in the construction of such artificial ones as will improve and make our natural water systems, by useful connections, more valuable to the commerce of the country and the people. And these water ways, whether natural or artificial, should be under the control of the United States, and not that of any State or corporation, and should be absolutely free to the commerce of the country. Of course I speak of great and important water routes of transportation, which are absolutely national or interstate in character.

Mr. Chairman, our fathers intended our commerce between the States to be free. They conferred upon Congress the power to regulate commerce with foreign nations and among the States. They denied to the States the right to lay any imposts or duties on imports or exports, except such as were absolutely necessary for executing their inspection laws, without the consent of Congress; and so without the consent of Congress they denied to the States the right to lay any duty on tonnage, but conferred upon Congress the right alone to lay and collect duties, imposts, and excises. For what purpose, Mr. Chairman? Let the provision of the Constitution conferring this power answer. It says: "To pay the debts and provide for the common defense and general welfare of the United States."

Congress, therefore, has the exclusive power to regulate commerce among the States and with foreign nations, and the exclusive power to lay and collect duties, imposts, and excises, or, in other words, the power to raise revenue from commerce by levying duties on imports; and therefore it seems most reasonable that Congress or the General Government should assume the burden and expense of supplying all necessary and proper facilities for promoting and benefiting the commerce of the country. And surely there is nothing in which commerce is more deeply interested than in cheap transportation.

Why should the State of Illinois or any other State have the power to impose burdens upon the commerce of the country? Certainly no good reason occurs to me why any State should have that power, nor is there any good reason why any one State should be called upon or required to construct and maintain a free water way when so many other States, if not the entire country, are equally interested; and especially when the General Government is expending large sums of money in improving and maintaining free water routes by the construction of locks and dams in some States, it is unjust to other States to require them, at their own expense, to construct, improve, and maintain free water routes which are national in their character and of importance to the interstate as well as foreign commerce of the country.

Benefits as well as burdens in the administration of the Government should be as equally distributed as possible.

I have said, Mr. Chairman, that the Illinois and Michigan Canal has not been, and is not now, a burden to the State. And those who say it is, and that the State therefore desires to turn it over to the United States, are either misinformed or intentionally misrepresent the fact. If it was burdensome to the State it would be a good reason why the General Government should relieve the State from the maintenance of the canal, for the General Government encouraged the State to build the canal by a grant of lands for that purpose, and imposed upon the State a condition that the canal should be and forever remain a public highway for the use of the Government of the United States. But the canal has maintained itself since its completion, and has with low tolls paid some two or three millions of dollars into the State treasury.

A few years since an effort was made by the railroads to drive the canal into disuse. They put down their freights so low that there was

a heavy falling off in the receipts of the canal; and the people, seeing the danger, held a large meeting at Ottawa, Ill., and the Legislature of the State was appealed to, and a contingent appropriation made to maintain the canal. But not a dollar of the contingent appropriation was ever expended, or needed, and last July it was allowed by the canal commissioners to lapse into the treasury of the State. It seemed to make a difference in the receipts of the canal when it was found the State would maintain it.

The following statements, made by an intelligent gentleman of La Salle, Ill., some three or four years since, in the Chicago Herald, shows the facts so well as to the Illinois and Michigan Canal that I ask to read them and make them a part of my remarks. The writer says:

The Illinois and Michigan Canal is a good thing. Chicago thinks so for sanitary reasons mainly, no doubt; but aside from this it serves the original purpose of its creation, and that better than most people suppose. The idea largely prevails that traffic on the canal is dwindling into insignificance. But it is not. Traffic upon it has steadily increased from the start, and is still increasing, despite all efforts to divert trade from it by means of railroad discriminations against it and legislative lobbying for measures intended to bring about its final dissolution at the earliest possible date. The following facts and figures will prove justifying to those who have long been mourning its supposed decline:

First opened for navigation in 1848, the tolls that year aggregated $89,000. Six years later they aggregated $198,000. Later they fluctuated considerably, going up to $265,000 in 1862, and again down to $157,000 in 1864. In 1865 an increased tonnage, coupled with an increase in rates of toll, brought the receipts suddenly up to $301,810, and the following year, 1866, the tolls were the largest ever received—$302,598, the through tonnage of that year being 746,815, and the number of boats running 230. The rates of toll since then having been reduced at various times, the aggregate receipts have generally declined, though the tonnage has as generally increased.

In 1873 the tonnage was 850,000. In 1878 it dropped to 600,000, but since then has increased; and in 1882 the largest tonnage in the whole history of the canal is reported, 1,011,287. It is claimed, however, that the tonnage this year will exceed that of last year, though the season is not yet closed. The tolls for 1882 were only $85,947, or about $3,000 less than the first year the canal was opened. A cash showing, which is *prima facie* evidence, certainly does not indicate any great amount of canal prosperity. The tonnage, however, furnishes the true key to the situation and clinches the argument in favor of the prosperity of the canal. The rates are arbitrary and kept at a figure adequate for maintenance solely.

A little analysis, &c., right here will not be out of place. In 1866 the toll rates per ton per mile averaged almost exactly 400 per cent. higher than they are now or were in 1882. Since 1866 the number of boats running has regularly declined from 230 to 132 in 1882; and of this latter number 23 are steam canal-boats and 7 tugs. In 1865, the year of maximum tolls and number of boats, the clearances were 5,488 and the number of miles run 406,784. In 1882, the year of maximum tonnage, as far as reported, the clearances were 4,055 and the number of miles run 335,710. Bringing the figures of the above two periods a little nearer side by side for the sake of comparison, it appears that in 1866 it took 230 boats, making 5,488 clearances and 406,784 miles, to transport 746,815 tons, and in 1882 it took 125 boats and 7 tugs, making 4,055 clearances (including those at Henry and Copperas Creek) and 335,710 miles, to transport 1,011,287 tons.

In other words, a boat now carries nearly two and a half times as much freight as it did in 1866, and pays 25 per cent. as much toll. Figures always tell truthful tales. There are evidences of decay about the canal, but these are misleading. When there were three hundred and thirty boats running they were propelled by not less probably than seven hundred horses, and these with their drivers and attendants made an array of life and animation along the tow-path, indicative of a much larger business than was really transacted. In those supposed good old times boatmen quarreled with each other for preference in passing locks, at the gates of which boats were crowded thick. Now the towing of boats is done almost exclusively by steam, there not being perhaps to exceed a dozen teams engaged on the tow-path.

After alluding then to the passenger traffic on the canal, which continued for some five years after the opening of the canal in 1848 and until the opening of the Chicago and La Salle Railroad in 1853, and to the disappearance of canal-boats from the canal and what had become of them, the writer concludes as follows:

The canal has not declined, but simply undergone the elimination of its antiquarian features; and this has been mistaken for decay. Traffic over it is not now, as formerly, of the general merchandise order; it runs very largely to specialties. Of the freight transported last year (1882) there were 3,900,000 bushels of grain, 41,000,000 feet of lumber, 22,000,000 shingles; coal, ice, and sand, 104,000 tons. These, with stone, constitute the leading articles transported.

Now, this I have no doubt is a candid, truthful statement of the Illinois and Michigan Canal, and confirms what I have said as to the value of the canal as a means of affording and securing cheap transportation. And it may be safely said that the value and business of the canal will be greatly enlarged when it is extended to the Upper Mississippi, and made an east and west line of commerce, as well as a north and south line, which it now is. The canal would then compete with the railways running east and west, and would either carry an immense additional tonnage of heavy freights seeking an eastern or western market, or otherwise it would have a beneficial influence in keeping down excessive freight charges; and in either event the people would be greatly benefited and blessed by the cheaper transportation which the canal would secure to them. The Government of the United States should therefore accept the Illinois and Michigan Canal, and extend it to the Upper Mississippi River, and hold it as a great water route from the head of navigation on the Mississippi River to the Atlantic seaboard in the interest of the commerce of the country and the people.

Mr. Chairman, I but repeat what has been often said when I state that there is no question to-day of deeper interest to our people, and especially to the industrial classes, whose products, whether of the farm or the factory, must find their way to a market somewhere, than the question of cheap transportation. For it is cheap transport which will enable the farmer and the manufacturer to reach the markets of our own country and of the world with their products and sell them at living prices. And when we consider what England and France and Germany and many other countries have done and are doing in the interest of cheap transportation it is surprising to think how little has been done in that direction by the United States.

It is a fact which needs no argument to substantiate that the cheapest transportation which any people can have is water transportation. Not many years since the French Government instituted an inquiry as to the comparative cost of transportation by water and by rail; and it was demonstrated that heavy merchandise could be carried by water at from two-fifths to one-third the lowest price at which it could be carried by rail. And there can be no reasonable doubt but that water transportation is and always will be cheaper for the carriage of such merchandise than the cheapest possible transportation by rail.

In proof of this I have seen it stated that according to the report of the New York State engineer for 1880 the actual average cost of transporting freights on the New York Central four-track railway was fifty-four one-hundredths of a cent per ton per mile, without allowing anything for the capital invested, and the average charge was eighty-eight one-hundredths of a cent per ton per mile. And now within the last year the Erie Canal has carried grain from Buffalo to New York for twenty-two one-hundredths of a cent per ton per mile, being but one-fourth of the average charge of transporting freight per ton per mile on the New York Central, which runs along the line of the canal.

Mr. Albert Fink, one of the ablest and best-informed railroad men in the country, who has been for many years one of the railway pool commissioners, has given the reason for this. He says:

By comparing the cost of water and rail transportation it will be found that about 40 per cent. of the cost of railroad transportation is required to pay the interest on the capital invested. No corresponding expense is incurred by the carriers on the lakes and canals. From 15 to 20 per cent. of the charges for railroad transportation is required to keep in repair expensive roadways. No such expense is incurred by the carriers on the lakes, and but a comparatively small expense is incurred by the carriers on the canals. The cost of motive power to draw railroad trains over the hills and valleys is necessarily much greater than the cost of the motive power required to propel boats on the smooth and level water ways.

And it must occur to every one who has given any attention or thought to the subject that the large number of persons employed in railroad management and operation, the expensive rolling-stock required, and the constant wear and tear of railroads make railroad transportation more expensive than water transportation.

The following table, found in Nimmo's Report on Foreign Commerce of the United States for 1884, confirms all that has been said as to water transportation being cheaper than transportation by rail:

Average freight charges per bushel for the transportation of wheat from Chicago to New York during the years 1868 *to* 1884, *inclusive.*

Calendar years.	Average rate per bushel.		
	By lake and canal.*	By lake and rail.	By all rail.
	Cents.	*Cents.*	*Cents.*
1868	24.54	29.0	42.6
1869	23.12	25.0	35.1
1870	17.10	22.0	33.3
1871	20.24	25.0	31.0
1872	24.50	28.0	33.5
1873	19.19	26.9	33.2
1874	14.10	16.9	28.7
1875	11.43	14.6	24.1
1876	9.58	11.8	16.5
1877	11.24	15.8	20.3
1878	9.15	11.4	17.7
1879	11.60	13.3	17.3
1880	12.27	15.7	19.7
1881	8.19	10.4	14.4
1882	7.89	10.9	14.6
1883	8.40	11.5	16.5
1884	6.60	9.7	13.0

*Including Buffalo transfer charges and tolls.

But it does not tell the whole truth. It shows that from 1868 to 1884 inclusive, the charges per bushel on grain shipped from Chicago to New York, including tolls and transfer charges at Buffalo, were from about 6 to 18 cents less by lake and canal than by rail. But it does not show what the charges would have been by rail on all the millions of bushels of grain shipped from Chicago to New York during these years if it had not been for the lake and canal. To show something of the saving, Mr. Chairman, take the year 1880, when there was shipped by the Erie Canal about 72,000,000 of bushels of wheat from Buffalo to New York, and which it is presumed came largely by lake from Chicago, and by reference to the above table it will be seen that the difference for that year was about 7.04 cents per bushel less by lake and canal than it was by rail; and that difference on 72,000,000 bushels shows a saving to producers and consumers in the cost of transportation for that year of at least $5,328,000, to say nothing as to the saving on account of lower charges made by railroads because of the cheaper transportation by lake and canal.

And what is true of the year 1880 is true of every year named in the

table, from 1868 to 1884, to a greater or less extent, as the quantity of grain shipped East was more or less. For the difference in cost of transportation was not less than about 6 cents per bushel in favor of the lakes and canal in any year from 1868 to 1884. But another thing, Mr. Chairman. This table shows the difference in charges made by lake and canal and by rail from Chicago to New York from 1868 to 1884 inclusive; and a careful examination of it will, I think, satisfy any candid man not only that water transportation is cheaper than transportation by rail but that water transportation compels cheaper transportation by rail.

Nor is it alone the lines of railroad which begin and terminate at the same points or which run parallel with water lines of transportation that are compelled to make lower rates on account of the cheaper water transportation, but other railroad lines running between other and different terminal points and more remote from the water line are affected, more or less, by it in their freight charges. So that water lines of transportation are the great regulators of railway freight charges, and wherever they exist and can be improved and made more effective by any reasonable expenditure of money, it is the duty of the Government to make such improvements in the interest of the people and as a security against unreasonable and excessive freight charges. If governments are instituted among men for useful, beneficent purposes; if they are to promote the public welfare, the general prosperity of the people, I am sure there is no higher duty devolving upon our Government, which is a government of the people, than to spend a portion of the people's money in promoting their interests by giving them cheaper transportation for the products of their labor.

I have said, Mr. Chairman, that water lines of transportation are the great regulators of railway freight charges; and for this I have again the authority of Mr. Albert Fink, one of the ablest railroad men in the country, a man who has given great attention and intelligent thought to the study of the transportation problem. I heard Mr. Fink make the following statement before the Committee on Commerce, of which I was a member, in the Forty-sixth Congress, namely:

That water routes not only control the tariffs of their immediate railroad competitors at points where they can render like service to the same people, but their influence reaches directly and indirectly the remotest parts of the country.

And he gave good reasons for his opinion, and stated that while the charters of railroads not unfrequently fixed the maximum limit of freight charges at 8 cents per ton per mile, "water competition had actually reduced the earnings of railroads frequently to one-fourth cent per ton per mile."

In his testimony before the Select Committee of the United States Senate on Interstate Commerce, taken within the last year, it will be seen that he says:

The rates between Chicago and New York, which are generally determined by the competing water routes, are taken as the basis of the tariff.

And,

When that is established, a table which has been prepared, based upon the relative distances of other points to points of destination of the freight, gives the corresponding rate from other cities in the territory east of the Mississippi River and north of the Ohio River.

Hence he takes Indianapolis, Ind., for an example, and says the distance from Indianapolis to New York is 93 per cent. of the distance from Chicago to New York, and as Indianapolis is a competing point, whenever the rate is reduced from Chicago to New York from 25 to 20 cents per hundred pounds, as the charges from Indianapolis are 93 per cent. of the charges from Chicago, the charges are reduced to 18½ cents per hundred pounds from Indianapolis.

So we see that the lakes and canal help to regulate railway charges and give to the people of Indianapolis, an inland city, with no lake or canal near it, as Mr. Fink says, cheaper rates of transportation.

While some may doubt the truth of this, those who have given much thought to the subject will not doubt it. And Mr. Fink himself has given the reason for it. He says:

The Indianapolis railroads, on account of competition with the Chicago roads, and with the lake and canal, have to do the work from Indianapolis for the same compensation per ton per mile that the Chicago roads have to do it, although the Chicago roads are right on the lake, and have to compete with the lake and with the canal.

And this, he says, is "because of the competition with the Chicago roads."

For example—

He says:

if the Indianapolis roads would hold their rate higher per mile, then the tendency would be for all the grain to avoid Indianapolis and go to Chicago, it would go from all points that could reach Chicago as well as Indianapolis.

The grain, he says, would go where it could get the cheapest transportation; and that if the Indianapolis roads kept the rate too high, the roads that ran from Indianapolis to Chicago would at once go into the business and carry all the freight to Chicago and let the Chicago roads carry it east.

The same may be said of Saint Louis, of Springfield, Peoria, and many other extensive shipping points where there are railroads running east, and also to Chicago. For if not a universal rule, it is certainly a general one, that commerce will seek the cheapest channels of transportation.

Mr. Chairman, I have said this much upon the subject of cheap transportation and of the benefits of water routes as regulators of unreasonable and excessive railway freight charges to show what an inestimable benefit the Erie Canal, connecting the lakes with the Hudson River and the Atlantic Ocean, has been to the country. The Erie Canal has made New York city the great commercial metropolis of the country, and enriched her people beyond calculation. It has contributed to the wonderful growth and the commercial importance of Chicago, that great inland city of the Northwest, which I have seen grow up from a mere village of a few thousand inhabitants to a magnificent city with a population of perhaps three-quarters of a million. It has benefited not only New York but all of New England, as well as the States lying west of New York.

I have said it before, and repeat it here again, that in my opinion the State of Illinois could alone afford to pay for the Erie Canal and to maintain and operate it for the benefit it has been to the people of that State in giving to them cheaper transportation. And the same may be said of Ohio and several other States. And now, Mr. Chairman, what does this amendment propose? I answer, simply to extend this water line of transportation from three to six hundred miles farther west and northwest into the interior, giving to the people who live west of Chicago and west of the Mississippi River, in the great grain-growing sections of the country, the advantages of cheaper if not cheap transportation, by bringing them and their products that much nearer to an east and west line of water transportation.

To accomplish this, this amendment proposes the construction of a canal from the Illinois River at Hennepin, to the Mississippi River at Rock Island, which will be some 75 miles in length, 80 feet in width, and 7 feet in depth, with locks 170 feet long and 30 feet wide, at an entire cost, including right of way and the construction of a feeder, of $6,672,890.67. If we add to this the sum of $2,298,919.15, the estimated cost of enlarging the Illinois and Michigan Canal, we find that by the expenditure of $8,871,809.82 we construct a water line of transportation from the lakes to the Gulf, and from the lakes to the Upper Mississippi, the commercial value of which can hardly be overestimated.

I firmly believe this connection of the Atlantic seaboard with the Mississippi River is one demanded by the highest and best interests of the country. It will benefit an immense amount of commerce transported from the East to the West, as well as from the West to the East. It will save many millions of dollars in reducing the cost of transportation to producers as well as consumers, for cheap transportation benefits undoubtedly both classes. It will extend the advantages of the lake system of navigation, now enjoyed by the people living east and west of the lakes, several hundred miles farther west and northwest; and thus benefit to a greater or less extent the people of Iowa, Wisconsin, Minnesota, Illinois, Missouri, Kansas, and Nebraska, and the Territory of Dakota, by bringing a cheap line of water transportation so much nearer to them, and compelling, as it will, lower freight charges by the railroads.

And, Mr. Chairman, this is not necessarily a war against railroads. It is an absolute necessity that the farmers of the country should have cheaper transport for their cereals. Unless they do they can not reach the markets of our own country nor of the world. And unless we can have the cheapest possible transportation it is certain our farmers can not raise grain and compete with India, Russia, and other grain-producing countries, where the wages of labor are so low and where so much is being done to secure cheap transport. I know that there is a feeling of discontent and dissatisfaction among the farmers and producers of the West and Northwest on account of the cost of transportation and the low prices of the products of their farms. And why, Mr. Chairman, should we not legislate somewhat in the interest of the vast number of people in the United States who are engaged in agriculture? It has been largely the products of their labor which have given us a large balance of trade in our favor for a number of years past and which have contributed so much to the prosperity of the country. And that, to a great extent, has been accomplished through the lakes and canals in giving cheap transportation.

Mr. Horatio Seymour, in an argument read before the Committee on Rivers and Harbors some months since, said:

We can not look to our railroads to cheapen transportation much more than they have done. The average price for carrying a bushel of wheat from Chicago to New York by rail for the past two years has been about 12 cents, and Mr. Fink says that is not a paying rate, even upon the cheapest operated road.

If that be correct then we have another strong argument in favor of water routes, for the charges for several years past by the water route from Chicago to New York have been about 6 cents per bushel less than that, and have made a saving in the cost of transportation annually of many millions of dollars, not only on the amount carried by the water route but in the lower charges made by railroads in competing with the water route.

And I repeat again that the canals connecting the lakes with the Atlantic Ocean have been of incalculable benefit to the country. And now the lakes being connected with the seaboard, if you will construct the Hennepin Canal and connect them with the Upper Mississippi, you extend this water route or water system five or six hundred miles further west and northwest; you bring the vast grain fields of the Upper Mississippi and the Missouri Valleys that much nearer to a cheap water

route. You greatly benefit that most deserving class of our people, the farmers, by adding millions of dollars to the value of the products of their farms in reducing the cost of transportation. And, Mr. Chairman, if that is not a work of national importance, if to do this is not in the interest of the people of this great and rapidly-growing country, I am incapable of knowing what would be.

I have spoken of the States in the West to be more or less benefited by the construction of the Hennepin Canal, and I have here a comparative statement of the cereals produced in such States and in the Territory of Dakota, as well as in the United States, for several successive years, which I will ask to have incorporated in my remarks as a part of the same.

Comparison of cereal production in the States of the Northwest for the last two years.

CORN.

	1875.	1876.	1877.	1878.	1879.	1880.	1881.	1882.	1883.	1884.
	Bushels.	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*
Dakota								4,650,000	4,915,055	13,950,000
Minnesota	7,340,000	7,400,000	13,200,000	17,106,900	15,715,000	15,478,050	16,252,000	21,127,600	15,124,800	23,630,000
Wisconsin	15,200,000	27,000,000	28,700,000	36,900,000	39,912,600	33,767,382	28,040,000	32,201,600	23,579,300	26,200,000
Iowa	160,000,000	142,500,000	156,000,000	175,256,400	185,189,200	260,192,840	173,289,000	175,487,600	169,629,000	252,600,000
Illinois	280,000,000	223,000,000	260,000,000	225,932,700	312,221,000	240,452,896	176,733,000	182,336,900	233,786,500	244,544,000
Kansas	76,700,000	82,836,000	98,900,000	81,563,400	89,720,400	106,218,360	76,377,000	144,452,600	172,800,900	168,500,000
Missouri	128,000,000	102,500,000	103,000,000	93,062,400	141,939,400	160,463,408	93,669,000	170,037,000	161,655,000	197,850,000
Nebraska	28,000,000	25,500,000	38,500,000	54,222,000	62,459,400	59,507,600	58,913,000	82,478,200	101,278,900	122,100,000
Total	695,240,000	610,736,000	698,300,000	684,043,800	847,157,000	876,080,536	624,273,000	812,771,500	852,769,455	1,049,374,000
United States	1,321,069,000	1,283,827,500	1,342,558,000	1,388,218,750	1,547,901,790	1,717,434,543	1,194,916,000	1,617,025,100	1,551,066,895	1,795,528,432

WHEAT.

Dakota								11,460,000	16,128,000	22,330,000
Minnesota	27,200,000	16,000,000	33,324,346	28,824,000	31,876,520	40,395,696	35,952,000	33,030,500	33,773,200	41,307,000
Wisconsin	25,200,000	16,800,000	22,000,000	21,154,400	20,565,720	16,654,735	17,987,000	23,145,400	19,604,900	20,083,000
Iowa	29,800,000	17,600,000	37,810,000	30,440,960	32,786,880	33,178,205	18,248,000	25,487,200	27,518,000	31,270,000
Illinois	27,300,000	23,440,000	33,000,000	31,620,000	44,896,830	60,958,757	26,822,000	52,302,900	22,150,000	32,374,000
Kansas	12,700,000	16,510,000	14,400,000	27,221,000	18,089,500	20,336,000	19,909,000	31,248,000	26,851,100	34,990,000
Missouri	11,160,000	15,240,000	20,000,000	20,196,000	26,801,600	29,563,134	20,399,000	27,538,600	23,819,300	27,500,000
Nebraska	3,400,000	4,330,000	5,640,000	13,872,900	13,043,590	12,922,677	13,840,000	18,300,000	27,481,300	28,325,000
Total	136,760,000	109,920,000	166,174,346	173,329,260	188,070,640	219,009,204	153,157,000	222,512,600	197,325,800	238,179,000
United States	292,136,000	289,356,500	364,194,146	420,122,400	448,756,630	498,549,868	383,280,000	504,185,470	421,086,160	512,763,900

RYE.

Dakota								79,167	174,167	174,167
Minnesota	150,000	111,000	162,000	176,800	176,000	201,000	193,000	395,650	466,867	476,204
Wisconsin	1,340,000	1,330,000	2,700,000	3,551,200	2,808,000	2,329,470	2,353,000	2,470,650	2,396,530	2,468,426
Iowa	650,000	350,000		431,600	365,040	1,379,932	1,242,000	1,450,080	1,463,076	1,433,814
Illinois	2,600,000	2,580,000	2,844,000	2,511,000	4,050,000	3,049,860	2,775,000	6,538,000	5,099,640	4,895,654
Kansas	1,380,000	3,450,000	2,410,000	2,470,400	2,220,000	513,366	467,000	4,450,000	4,583,500	5,041,850
Missouri	600,000	680,000	720,000	732,000	804,100	582,980	458,000	696,160	570,851	587,977
Nebraska	50,000	92,000		1,432,500	1,192,280	385,320	424,000	932,800	1,026,080	1,097,906
Total	6,770,000	8,593,000	8,836,000	11,305,500	11,615,420	8,391,928	7,912,000	17,012,507	15,780,711	16,175,998
United States	17,722,100	20,374,800	21,170,100	25,842,790	23,639,460	24,540,829	20,704,950	29,960,037	28,058,583	28,637,594

OATS.

Dakota								3,600,000	9,000,000	11,812,000
Minnesota	13,000,000	12,000,000	14,740,000	20,352,000	17,136,000	21,069,425	23,760,000	29,950,000	31,447,500	36,100,000
Wisconsin	26,600,000	21,700,000	30,750,000	33,528,000	34,663,200	30,895,528	31,204,000	34,324,400	40,502,700	45,940,000
Iowa	28,000,000	21,250,000	42,000,000	38,332,800	37,256,400	49,922,400	42,434,000	52,618,160	68,403,600	78,650,000
Illinois	75,000,000	48,000,000	59,200,000	56,294,790	47,670,400	62,946,510	66,094,000	99,141,000	102,780,000	98,153,000
Kansas	9,530,000	12,389,000	12,200,000	16,020,000	12,015,000	8,582,520	8,754,000	12,780,800	27,560,000	27,419,000
Missouri	20,500,000	13,150,000	20,500,000	19,584,000	15,429,120	25,314,304	22,783,000	30,073,500	30,374,200	30,774,000
Nebraska	4,375,000	3,500,000	5,400,000	6,429,500	6,160,000	5,284,700	6,976,000	9,417,600	21,630,000	21,844,000
Total	177,005,000	131,989,000	184,790,000	190,541,090	170,330,120	204,015,387	202,005,000	271,905,460	331,698,000	350,692,000
United States	354,317,500	320,884,000	406,394,000	413,578,560	363,761,320	417,885,380	416,481,000	488,250,610	571,302,400	583,628,000

BARLEY.

Dakato								471,621	731,013	2,860,000
Minnesota	1,120,000	1,520,000	1,832,000	2,499,800	2,549,100	3,163,860	4,145,000	7,204,000	7,276,040	8,087,229
Wisconsin	2,200,000	1,800,000	4,700,000	4,264,000	4,320,000	4,903,750	5,296,000	5,772,640	6,061,272	7,298,952
Iowa	6,300,000	5,800,000	5,300,000	5,088,000	4,290,000	3,887,148	3,498,000	4,547,400	4,638,348	4,950,578
Illinois	2,900,000	2,200,000	2,760,000	1,936,600	575,000	1,109,425	754,000	942,500	876,525	981,708
Kansas	800,000	1,960,000	1,900,000	2,163,200	675,000	270,504	243,000	267,300	347,490	555,984
Missouri	450,000	435,000				96,104	101,000	181,800	179,982	178,182
Nebraska	375,000	470,000	520,000	568,750	1,600,000	1,186,680	1,270,000	3,588,000	3,623,880	3,551,402
Total	14,145,000	14,185,000	17,012,000	16,520,350	14,009,100	14,617,471	15,307,000	22,975,261	23,734,550	28,464,035
United States	36,908,600	38,713,500	34,441,400	42,245,630	40,283,100	45,165,346	41,161,330	48,953,926	50,136,097	61,206,652

BUCKWHEAT.

Dakota								3,908	2,931	11,600
Minnesota	49,000	47,800	103,000	102,200	126,000	66,130	46,000	50,600	30,360	68,310
Wisconsin	275,000	425,000	420,000	504,000	520,200	584,309	386,000	378,280	177,792	322,471
Iowa	160,000	140,000		123,200	144,000	238,143	167,000	180,360	135,270	209,660
Illinois	180,000	175,000	176,000	147,000	147,900	259,840	148,000	158,360	114,019	148,225
Kansas	240,000	96,000	58,000	78,200	69,700	41,747	40,000	25,200	27,720	21,067
Missouri	60,000	55,000		46,400	56,000	83,742	66,000	69,300	63,756	70,132
Nebraska	85,000			30,400	47,500	27,160	17,000	17,340	20,808	23,929
Total	1,049,000	938,800	757,000	1,031,400	1,111,300	1,301,071	870,000	883,348	572,656	875,403
United States	10,082,100	9,668,800	10,177,000	12,246,820	13,140,000	14,617,535	9,486,200	11,019,353	7,668,954	11,116,922

DEPARTMENT OF AGRICULTURE, *February* 23, 1886.

J. R. DODGE, *Statistician.*

From this table it will be seen that the States of Illinois, Iowa, Wisconsin, Minnesota, Nebraska, Kansas, and Missouri, and the Territory of Dakota, all of which it is believed are more or less interested in the construction of the Hennepin Canal and the enlargement of the Illinois and Michigan Canal, produced in the year 1884, 1,049,374,000 bushels of corn, 238,179,000 bushels of wheat, 16,175,998 bushels of rye, 350,692,000 bushels of oats, 28,464,035 bushels of barley, and 875,403 bushels of buckwheat, while in the same year in the whole United States there were produced 1,795,528,432 bushels of corn, 512,763,900 bushels of wheat, 28,637,594 bushels of rye, 583,628,000 bushels of oats, 61,206,652 bushels of barley, and 11,116,922 bushels of buckwheat.

So that the States and Territory named produced nearly 50 per cent. of all the wheat and barley, and nearly 60 per cent. of all the corn, rye, and oats of the United States in 1884. If we add together the number of bushels of all the cereals produced in the States and Territory named in 1884, we have an aggregate of 1,683,760,436 bushels. If 50 per cent. of that is to be transported to a market and you can save 1 cent a bushel on the cost of transportation you have a saving of $8,418,802.18. If only 25 per cent., or 420,940,109 bushels are to be transported, and you can save 1 cent a bushel in the cost of transportation, then you have a saving of $4,209,401.09. And it ought not to be doubted but that the extension of a water route from the lakes to Saint Paul, or the head of navigation on the Mississippi River, would save in the transportation of grain at least $4,000,000 annually to producers and consumers; not more in the amount of grain carried by the water route than by the effect of it in compelling lower rates by rail.

But I have a letter here from a gentleman and a boatman well known on the Upper Mississippi River. I mean Capt. Joseph Reynolds, and according to his letter the usual charge by rail from Saint Paul to Chicago is 12 cents per hundred pounds, or 7.20 cents per bushel, while the rate by river from Saint Paul to Rock Island is 5 cents per hundred or 3 cents per bushel; and he estimates that wheat can be carried by the canal from Rock Island to Chicago for one-half cent per bushel, and that the canal would make a saving of 4 cents per bushel on wheat instead of 1 cent as I have been estimating it on one-fourth of the cereals produced in the States and Territory named.

But if you estimate the surplus to be transported to market and sold to be one-eighth, or 12½ per cent., it would be 210,470,054 bushels, and that at only 2 cents a bushel would give a saving also of $4,209,401.09. And then when you consider the saving on coal, salt, lime, cement, lumber, agricultural implements, and other heavy freight, how can any reasonable man doubt the great value this canal would be to the commerce of the country, in reducing the cost of transportation to producers and consumers? It seems clear to my mind that, at the very lowest estimate which could be fairly made, this canal, if constructed, will save enough in reducing the cost of transportation to producers and consumers, annually, to pay the cost of construction. And I believe the annual saving would amount to much more than the cost of construction.

Then, if this be true, this canal, it seems to me, should be built. But we are told that canals are a thing of the past; that they have had their day, and belong to a bygone age; that they are too slow, and are frozen up half the year. It is true that canals, as well as rivers and other water routes, are frozen up a portion of the year in the northern parts of the United States; but we do not propose to abandon them on that account. On the contrary, we are expending many millions annually to improve rivers and harbors, and even to construct canals, which will be frozen up a part of the year. And, frozen up as they may be, they exert an influence even in the winter season, when ice-locked, in keeping down freight rates. We know that millions of bushels of wheat lie in the elevators in the great grain markets until navigation opens and shippers can have the benefit of cheap water transportation.

Why is it, I may ask, that Chicago received in 1884 26,397,587 bushels of wheat, 4,960,830 barrels of flour, and 59,580,445 bushels of corn, and shipped of wheat 21,046,577 bushels; of flour 4,808,884 barrels, and of corn 53,274,050 bushels? And why did Toledo, Ohio, receive in the same year 25,057,284 bushels of wheat, 23,186,454 bushels of which were shipped, and 12,056,306 bushels of corn, 12,040,439 bushels of which were shipped? These immense quantities of wheat, flour, and corn went to these two cities because of the cheap transportation given to them by the lakes and canals. Slow as the canals may be and frozen up as they are in the winter, grain seems to gravitate toward them.

I have already referred to the Erie Canal and the great benefit it has been to the people and to the commerce of the country in giving cheaper transportation; and although it was slow, and frozen up, say five months in the year, yet it seems there were shipped by way of it from the Western States to tidewater in 1882, 1,824,129 tons of freight, and about the same quantity in 1883, and for the year ending December 31, 1885, there were delivered by the canal at New York of flour, grain, and meal, reduced to bushel-measure, about 30,000,000 bushels. So the usefulness of the Erie Canal should not be doubted, if canals are frozen up a part of the year and are slow. But we have the authority of Mr. Albert Fink for saying that even in winter water routes prevent excessive railroad charges. He says that in winter railroad charges can not exceed those in summer by more than the expense of storage, insurance, and interest on the investment in the property to be transported during the time navigation is closed. If winter rates were much in excess of those expenses over summer rates, that by far the greater portion of the property would be stored and await the opening of navigation.

But canals are not a thing of the past, and do not belong to a by-gone age by any means. If they are, and have outlived their usefulness, why is it that New York does not abandon the Erie Canal? I have no doubt but that some who profess to believe that canals are things of the past, that they are slow and frozen up in winter, would give millions of dollars to close the Erie Canal up in summer and forever. But New York can not afford to have the Erie Canal closed up and abandoned; neither can the country afford it. It would certainly be a calamity to New England and to Ohio and the Western States, as well as New York, if the Erie Canal should be abandoned. And if it ever shall be, unless some other water route is opened up by which the city of New York is connected with the lakes and water systems of the West, I predict that from that hour the commercial importance of that great city will begin to decline.

No, Mr. Chairman, canals still are, and must continue to be, useful instruments of commerce in carrying heavy merchandise, which must be carried at the cheapest possible rates, and in regulating excessive railway charges. Canals, I repeat, are by no means a thing of the past. On the contrary, I venture to assert that more money has been expended in the last few years, and is now being expended, in the construction of canals than in any former period of the history of the world. France, we are told by Sir Charles Hartley, has a network of canals, with a uniform depth of 5 feet 3 inches and a bottom width of 33 feet, that have been located with the view of giving the cheapest and most direct means of distribution between the great centers of trade and production. Those of them which are classed as principal lines of communication by a law of 1879 are to be deepened to 7 feet and 4 inches; and the same law prescribes that all locks shall be 126 by 17 feet, with sufficient water on their miter sills to allow the free passage of boats drawing 6 feet 6 inches.

France had expended on 7,069 miles of canals and rivers more than $218,000,000 up to 1878, according to Sir Charles Hartley, and it was proposed to expend $200,000,000 more. Austria is improving the Danube, and at the same time is building a canal between the Danube and the Elbe, 138 miles long, at an expense of $29,000,000. Germany has recently built a ship-canal connecting what is known as Lubeck Bay with the North Sea, thereby reducing, we are told, the cost of transportation on wheat 6 cents a bushel; and has also completed surveys for improvements of her rivers and harbors and for the construction of canals, and is expending for that purpose $86,000,000. Holland has just completed a ship-canal from Amsterdam to the sea.

England has 2,360 miles of canal and more than 18,000 miles of railway, and yet is preparing to build a canal from Manchester to Liverpool, 26 feet deep, which it is estimated will cost $40,000,000; also one from London to Bristol, and another from London to Liverpool. Russia has recently completed a canal, which was commenced in 1878, connecting St. Petersburg with Cronstadt, at a cost of $9,000,000. She has also a system of canals connecting the Baltic and the Black Seas, the Volga and the Caspian Sea, and the Baltic and the White Seas. England has also expended many millions of dollars in cutting canals in India, both for irrigation and transportation, and in addition has expended many millions more in aid of railroads.

I have a statement here made by Hon. John C. Dore, of Chicago, Ill., recently, when addressing the Committee on Rivers and Harbors, and I know him to be a very intelligent gentleman, well informed upon these subjects and reliable, and he says the expenditures in India for canals alone up to the end of the fiscal year 1882–'83 was $103,800,000—nearly as much as we have expended on all our internal improvements in this great country since the foundation of the Government. And yet they are continuing to expend money to cheapen transportation, and are now proposing to cut through the Siam Canal at a cost of $20,000,000. In 1882–'83, India had 1,341 miles of canal and 18,633 miles of navigable rivers; and the government also had invested in railroads, subsidized in the interest of cheap transportation, in 1882–'83, $156,800,000. And Mr. Dore says that the government lost $124,750,000 in fostering railroads for that purpose from 1859 to 1883.

Canada also has a canal system which cost her $50,000,000, and yet she is now spending $1,000,000 to deepen the Welland Canal, and is proposing three other canal schemes, the most important of which is one from Montreal to Lake Huron by way of the Ottowa and French Rivers.

So we see, Mr. Chairman, canals have not had their day yet, and do not belong to a bygone age.

But admitting that the Illinois and Michigan Canal shall be enlarged, and that the Illinois and Mississippi River Canal shall be constructed, we are then asked why is it that the State of Illinois does not herself do this work? I answer, in the first place, that Illinois is not alone interested in the work. Other States, and a large number of States, are interested in the enlargement of the Illinois and Michigan Canal and in the construction of the Hennepin Canal to a greater or less extent than Illinois.

If this work should be done at all it is a national work, and should be done by the United States and not by any one State. If this canal uniting the Mississippi River with the lakes and the Atlantic Ocean will secure cheaper transportation, as I firmly believe it will, then it will benefit not only Illinois but New England, New York, New Jersey, Pennsylvania, and Ohio as well as all the States which lie on the Mississippi River and west of it; and it can not benefit those States without benefiting the whole country. If it is of interest to the farmers of the West and Northwest to get cheaper transport for the products of their farms, it must be of interest to those who purchase such products and consume them, for they will share undoubtedly in the benefits of cheaper transportation.

New England, New York, New Jersey, Pennsylvania, and Ohio are largely manufacturing States, and they want to sell their manufactured fabrics to the people of the West and Northwest; and on the other hand the people of the Mississippi Valley want to sell them their agricultural products, and both sections are alike interested in keeping up commercial relations with each other. Why it is that New England and the States of New York, New Jersey, Pennsylvania, and Ohio will repel us in a proposition to keep up these commercial relations and so act as eventually to drive us in other directions, not only with what we have to sell but for what we may desire to purchase, is to me a mystery. Our interests are in harmony with each other. We in the West have been and are to-day largely dependent upon New England, New York, New Jersey, Pennsylvania, and Ohio for our manufactures, and these States have furnished us our best market for our surplus products.

We want your merchandise, your manufactures, your iron and coal, and you want our agricultural products, and cheap transportation is for the interest of both sections. On the other hand, I appeal to Representatives from the South, and especially from the Mississippi River States, and say to you that you have a common interest with us in the Illinois and Michigan Canal, as we have with you in the improvement of the Mississippi River, for by the Illinois and Michigan Canal the lakes are connected with the Mississippi River and the Gulf, and while we are expending immense sums of money in improving the Mississippi River, you should not wish to deprive us of needed facilities for reaching the older and more populous portions of our own country, where the people of the West and Northwest find their best markets for their surplus products. The connection of the lakes with the Upper Mississippi River proposed by this canal would greatly benefit the States west of the lakes and of the Mississippi River, and would help to give cheaper transportation to millions of commerce, annually shipped east and west, and no narrow, selfish policy should lead you to oppose a work which will benefit so large a number of people.

But it is said the canal is all located in the State of Illinois, and is therefore a local measure. So it is. But I have already said that other States are more interested than Illinois. In fact, the construction of the Hennepin Canal has been urged upon Congress more earnestly by the State of Iowa than it has been by the State of Illinois. And I say the whole country is interested in its construction. You can not build up a part of the country and add to its growth and prosperity without benefiting the whole. It is high time that we began to cultivate a broader and more national spirit, a feeling that when something is done to benefit other sections of the country than those in which we happen to reside it is not alone for the benefit of others but for ourselves as well that it is done.

But this proposed canal is all in the State of Illinois, and is therefore a local improvement. Yes, the canal is certainly all in Illinois; and, in a certain sense, every improvement is local. And as Abraham Lincoln once said, in a speech delivered by him in 1848, on internal improvements, when a member of the Thirtieth Congress:

Nothing is so local as not to be of some general benefit. Take, for instance—

He says—

the Illinois and Michigan Canal. Considered apart from its effects, it is perfectly local. Every inch of it is within the State of Illinois. That canal was first opened for business last April. In a very few days we were all gratified to learn, among other things, that sugar had been carried from New Orleans through the canal, to Buffalo, in New York. The sugar took this route, doubtless, because it was cheaper than the old route.

Supposing the benefit in the reduction of the cost of carriage to be shared between seller and buyer, the result is, that the New Orleans merchant sold his sugar a little dearer, and the people of Buffalo sweetened their coffee a little cheaper than before—a benefit resulting from the canal, not to Illinois, where the canal is, but to Louisiana and New York, where it is not. In other transactions Illinois will, of course, have her share, and perhaps the larger share, too, in the benefits of the canal. But the instance of the sugar clearly shows that the benefits of an improvement are by no means confined to the particular locality of the improvement itself.

This most pertinent and forcible illustration of Mr. Lincoln may be applied to the proposed Hennepin Canal. A farmer or merchant of Minnesota may ship wheat or flour by way of the Hennepin Canal and the Illinois and Michigan Canal to New York or Boston, and of course ship it by that route because it can be done cheaper, and as the reduction in the cost of carriage will be shared between seller and buyer the Minnesota farmer will get a little more for his wheat or flour and the people of New York and Boston will obtain their bread a little cheaper, a benefit resulting from the canals, not to Illinois, where they are, but to Minnesota and New York or Massachusetts, where they are not. And you may go further and say that the wheat or flour may be shipped by rail and not go over the canals at all, but as the canals will compel cheaper transport by the railroad the result is precisely the same.

In this same connection, Mr. Chairman, I will read an extract from the great speech of Daniel Webster, made in reply to Hayne of South Carolina, which I find in an able address delivered a few years since to the people of Massachusetts by Senator GEORGE F. HOAR, who stands in the front rank of the statesmen of America of the present day, and who deserves our gratitude and thanks for the noble defense he has made of the policy of making appropriations by the General Government for internal improvements.

Mr. Webster in his reply to Hayne said:

How—

He inquires—

do I reconcile with these professed sentiments my support of measures appropriating portions of the lands to particular roads, particular canals, particular rivers, and particular institutions of education in the West? This leads, sir, to the real and wide difference in political opinion between the honorable gentleman and myself. On my part I look upon these objects as connected with the common good fairly embraced; he, on the contrary, deems them all, if good at all, only local good. This is our difference. The interrogatory which he proceeded to put at once explains this difference. "What interest," asked he, "has South Carolina in a canal in Ohio?" Sir, this very question is full of significance. It develops the gentleman's whole political system, and its answer expounds mine.

Here we differ. I look upon a road over the Alleghanies, a canal around the Falls of the Ohio, or a canal or railway from the Atlantic to the Western waters as being an object large and extensive enough to be fairly said to be for the common benefit. The gentleman thinks otherwise. On his system, Ohio and Carolina are different governments, different countries, connected here, it is true, by some slight and ill-defined bond of union. On that system Carolina has no more interest in a canal in Ohio than in Mexico.

Sir, we narrow-minded people of New England do not reason thus. Our notion of things is entirely different. We look upon the States not as separated, but as united. In our contemplation Carolina and Ohio are parts of the same country, having interests common, associated, intermingled. In whatever is within the proper sphere of the constitutional power of this Government we look upon the States as one. We do not impose geographical limits to our patriotic feeling or regard; we do not follow rivers and mountains and lines of latitude to find boundaries beyond which public improvements do not benefit us. We, who come here as agents and representatives of these narrow-minded and selfish men of New England, consider ourselves as bound to regard with an equal eye the good of the whole in whatever is within our powers of legislation.

Sir, if a railroad or canal, beginning in South Carolina and ending in South Carolina, appeared to me to be of national importance and national magnitude, believing, as I do, that the power of government extends to the encouragement of works of that description—if I were to stand up here and ask what interest has Massachusetts in a railroad in South Carolina I should not be willing to face my constituents. These same narrow-minded men would tell me that they had sent me to act for the whole country, and that one who possessed too little comprehension, either of intellect or feeling, one who was not large enough both in mind and in heart to embrace the whole, was not fit to be trusted with the interest of any part.

Now, perhaps I have said enough upon the subject of the Hennepin Canal as to its being a local work. But it is local only in the sense that the canal is in the State of Illinois, and that is all. The lumber which would no doubt pass over the canal, whether it came from the South or from the North—and as our Northern forests are being rapidly depleted, large quantities of lumber must ere long come from the South—would pass over this canal, but it would not be the lumber of Illinois but of other States; and so the wheat and corn and flour which would pass over this canal or be carried cheaper by rail by reason of the canal would be largely the products of other States and not alone of Illinois.

The same may be said of the coal, the iron and salt, and other merchandise carried over the canal. It would be the commerce, the product of other States and not of Illinois. Illinois will, of course, have a great interest in the canal if constructed, but not near so much, in my opinion, as Iowa and some other States West and Northwest. It is said that Chicago is alone interested in the canal, and that only as a sewer. But this is not true, and certainly not so far as the Hennepin Canal is concerned, for no sewage from the Chicago River can ever pass through that canal. Chicago, in my opinion, should not be permitted to use the canal as a sewer. If the great cities of the country do not devise other means of disposing of their sewage than by turning it into natural streams and bodies of water to pollute them and breed disease and pestilence we shall sooner or later suffer severely from it.

Chicago, I believe, is greatly interested in the canal, and if that city alone was interested in it we must remember that Chicago contains more than the one-hundredth part of the population of the entire country, and that Chicago is the outgrowth of the vast commerce of the Northwest; and whatever will be beneficial to Chicago in giving additional facilities for the transportation of commerce must be beneficial to the people of the Northwest. If the States of Illinois and Iowa were alone interested in the canal from the lakes to the Mississippi River, as I have heard it said by some, these two States contain the one-tenth part perhaps of the entire population of the country. But, Mr. Chairman, the East as well as the West, and the South as well as the North, are interested, and deeply interested in this great internal improvement provided for in this amendment; and in my judgment every consideration of the public good demands that it shall be constructed.

I know, Mr. Chairman, it will cost some money to do this work. But what if it does? What are the revenues of the Government for? Are they merely to pay the salaries of public officers, to erect armories and arsenals, to build iron-clad fleets, to erect monuments, to adorn and beautify the national capital, and to erect costly public buildings?

Does the Government owe no higher duty to the people than this? If it does not it might as well be abolished. John Quincy Adams, who was one of the most learned of our Presidents as he was one of the most distinguished of our statesmen, said in his first message to Congress:

The great object of the institution of civil government is the improvement of the condition of those who are parties to the social compact. And no government in whatever form constituted can accomplish the lawful ends of its institution but in proportion as it improves the condition of those over whom it is established.

Roads and canals by multiplying and facilitating the communications and intercourse between distant regions and multitudes of men are among the most important means of improvement.

Mr. Chairman, the money expended by the Government for useful purposes, which improve the condition of the country and give employment to labor, is not wasted. It goes out only to come back again increased and multiplied many times for good. As the country grows richer and more prosperous the sources of revenue are multiplied, and the money which goes out of the Treasury for useful purposes is only put in circulation among the people, and is neither thrown into the sea nor otherwise lost to the country. And I am sure, Mr. Chairman, that I have never known a period in our national history when it would do more good to give employment to labor and put money in circulation than it would now in the construction of public works when so many people are out of employment. Solomon said:

There is that scattereth and yet increaseth, and there is that withholdeth more than is meet; but it tendeth to poverty.

And that is oftentimes exemplified in the expenditure of public money, which when liberally expended in the right direction enriches the nation and fills up the Treasury again, and if unwisely withheld impoverishes the people.

But we are told that to construct this canal would set a dangerous precedent; that it would lead to an expenditure of untold millions of dollars, and we are reminded of other propositions to construct canals in other parts of the country.

Mr. Chairman, the man or statesman who sits shivering with trepidation for fear something which may be done will establish a bad precedent and lead to some evil will never accomplish much good, I fear, in this world.

"Sufficient unto the day is the evil thereof," said one who spake as never man spake. And let us consider this measure upon its merits, and do what in our judgment should be done for the public interest; and let other propositions, which may or may never come up, take care of themselves. There is no danger in my judgment to be apprehended from the construction of this canal. If other canals shall hereafter be constructed they would have to be constructed upon their merits. No reasonable man can believe there is any danger of the Government entering upon any reckless system of canal construction. The day of small canals and of the tow-path has undoubtedly passed away.

But water transportation must always be the cheapest transportation any people can have; and where canals of great commercial importance to the country, connecting vast water systems, can be constructed in the interest of cheap transportation, they should be. And I may say, if the people are true to themselves and to their own highest and best interests, sooner or later they will be constructed, and I have no fear that the national Treasury will be bankrupted or that it will suffer severely from their construction. Judging, Mr. Chairman, from my experience, I think there is far more danger of doing too little than there is of doing too much in that direction.

But, Mr. Chairman, a few more words and I shall close my remarks. Some people are so in the habit of characterizing every measure which they do not approve, as a job, a scheme, a raid upon the Treasury that this proposed canal has been denounced as such. But I protest against this denunciation. In no improper sense is this a scheme. It is no job, no raid upon the Treasury. The proposition to construct the Hennepin Canal originated with the people. It has been carried forward by the people. The people have supported and sustained it. The Legislatures of Iowa and Illinois have many times urged the construction of this canal and instructed their Senators and requested their Representatives to vote for its construction; and these Legislatures represented no small percentage of the population of the entire country.

Governors of these two States have repeatedly called attention to this important connection of the Upper Mississippi with the lakes. The Legislature of the State of New York has also instructed her Senators and requested her Representatives to support this measure, and I am assured that this was done largely through the influence of that distinguished statesman and patriot, the late Hon. Horatio Seymour, who was the devoted friend of water transportation in the interest of the grain-growing section of our country. He showed how, through the cheapening of transportation by the lakes and canals, we had been enabled to export our grain, to create a balance of trade in our favor, to go to a resumption of specie payments, and bring prosperity to our country.

I have here the resolutions of the Board of Trade and Transportation and also of the Produce Exchange of the City of New York, both favoring the construction of this canal as a work of national importance in the interest of cheap transportation. The boards of trade of Buffalo, of Chicago, of Duluth, of Doniphan, Kans., as well as numerous large commercial conventions at Davenport, at Saint Louis, at New Orleans, at Saint Paul, and numerous other places, have also favored the construction of this canal. Labor organizations have also throughout the country petitioned Congress to construct this canal; and now the Senate of the United States have for a second time adopted an amendment to the river and harbor bill providing for the construction of this canal. And what will be the response of the House to these numerous and oft-repeated appeals made to Congress in behalf of this measure? Will it be in vain? I trust it will not be; that the House will concur in the Senate amendment, and that the hope of the people in the section of country interested, as I firmly believe, in this great improvement, the hope, I may say, of the great Northwest, so long deferred, may at last be realized.

Personally it will not, I presume, affect me in the slightest manner, whether this canal shall ever be constructed or not. But I honestly and earnestly believe it to be a work of great national importance, a work in the interest of cheap transportation, and therefore, in the interest of the people, and so believing, I have with such ability as I possessed labored earnestly, conscientiously, and faithfully for its success. And I still have faith to believe that the friends of this measure, who have labored for its success, have not labored in vain, that this canal will at last be constructed, and add another and important link to the chain which unites and binds together in commercial bonds the various sections of our great and rapidly growing country.

The Surplus in the Treasury.

REMARKS

OF

HON. WILLIAM S. HOLMAN,

OF INDIANA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, August 4, 1886,

On the report of the committee of conference on the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Mr. HOLMAN said:

Mr. SPEAKER: The joint resolution in regard to the surplus funds in the Treasury, as it passed the House on the 15th day of July last by the decisive vote of 207 to 67, was as follows:

Joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Resolved, &c., That whenever the surplus or balance in the Treasury, including amount held for redemption of United States notes, shall exceed the sum of $100,000,000, it shall be, and is hereby made, the duty of the Secretary of the Treasury to apply such excess, in sums not less than ten millions per month, during the existence of any such surplus or excess, to the payment of the interest-bearing indebtedness of the United States payable at the option of the Government.

The surplus or balance herein referred to, shall be the available surplus ascertained, according to the form of statement of the United States Treasurer, of the assets and liabilities of the Treasury of the United States employed on June 30, 1886.

It now comes back to the House on the report of a conference committee of the two Houses in the following terms:

A joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Resolved by the Senate and House of Representatives, &c., That whenever the surplus or balance in the Treasury, including amount held for redemption of United States notes, shall exceed the sum of $100,000,000, it shall be, and is hereby made, the duty of the Secretary of the Treasury to apply such excess, in sums not less than ten millions per month, during the existence of any such surplus or excess, to the payment of the interest-bearing indebtedness of the United States payable at the option of the Government. The surplus or balance herein referred to shall be the available surplus, ascertained according to the form of statement of the United States Treasurer, of the assets and liabilities of the Treasury of the United States employed on June 30, 1886: *Provided*, That no call shall be made under the provisions of this resolution until a sum equal to the call is in the Treasury over and above the reserve herein mentioned: *And provided further*, That the Secretary of the Treasury, in his discretion, may have in the Treasury, over and above the foregoing sums, a working balance not exceeding $20,000,000; and whenever, in the case of any extraordinary emergency not now existing, and when, because thereof, in the opinion of the Secretary of the Treasury, the public interests shall require it, he may, by written order, postpone the further call for the payment of such indebtedness for such period of time as shall be necessary to maintain the public credit unimpaired; and that such postponement, and the reasons therefor, shall be reported to Congress within ten days after its next meeting, or immediately if Congress shall be in session.

The original joint resolution expressed the views of the House on this important question; the joint resolution as now presented is the result of the conference. The two provisos are in substance the work of the Senate. The question is, Shall the joint resolution as amended be adopted?

I supported the original joint resolution, but with some hesitation, for I am not able to understand why so large an amount of money as $100,000,000 drawn from the labor of our people should be locked up in the public Treasury. But something was gained by that measure, for while $100,000,000 were still to be locked up in the Treasury the large surplus beyond that was to be applied to the public debt. Something at least was to be secured, and it was better to save that than to secure nothing.

With a law in force as proposed by the House, one result was at least secured that only $100,000,000 should lie idle in the Treasury and the

rest should be applied to the public debt; but the proposition now before us prohibits a call of bonds for redemption until there shall be a surplus in the Treasury of a sum equal to the call in addition to the $100,000,000, and as the sum to be applied on the public debt at any one time shall not be less than $10,000,000, no sum can be applied on the public debt until the surplus in the Treasury reaches $110,000,000; and then, by the second proviso, it is enacted that in the discretion of the Secretary of the Treasury $20,000,000 more may be retained in the Treasury as a "working balance," making in all $130,000,000 (a sum nearly equal to twice the entire annual expenditures of the Government twenty-six years ago) authorized to remain idle in the Treasury; and then, as if it was proposed that Congress should abdicate all control of the public revenues, it is proposed that the Secretary of the Treasury may, without restraint or limit, suspend the application of the surplus, no matter how great it might be, to the payment of the public debt, in case any extraordinary emergency, in the opinion of the Secretary of the Treasury, should require it. The term "extraordinary emergency" manifestly refers to the emergencies that from time to time arise in the commercial and financial affairs of the country and the demand for gold in other commercial nations. The result of all this is manifest. It is proposed to leave it to the discretion of the Secretary of the Treasury whether the vast revenues drawn from the public by taxation shall be applied to the extinguishment of the public debt or lie idle in the Treasury subservient to the great capital interests of the country.

In my judgment the present provisions of law in regard to the surplus in the Treasury are better than the proposed legislation. The law now provides in effect that the surplus funds in the Treasury shall be from time to time applied to the payment of the public debt. The country is familiar with the calls for the matured bonds. All of those calls have been made under the existing provisions of law. It will not be easy to satisfy the intelligent people of this country that the Secretary of the Treasury can consistently with existing law hoard great sums of money in the Treasury and pay interest on bonds long since matured.

I insist, therefore, Mr. Speaker, that as a matter of fact the pending proposition only confers on the Secretary of the Treasury a discretion and power he does not now possess, and imposes, or at least authorizes, a limitation on the payment of the public debt that does not now exist.

The statement, or rather the recapitulation of the statement, of the public debt on the 1st day of the present month is as follows:

RECAPITULATION.

		Principal.	Interest.	Total.
Interest-bearing debt	Bonds at 4½ per cent	$250,000,000 00		
	Bonds at 4 per cent	737,766,450 00		
	Bonds at 3 per cent	140,011,750 00		
	Refunding certificates, at 4 per cent	202,400 00		
	Navy-pension fund, at 3 per cent	14,000,000 00		
	Pacific Railroad bonds, at 6 per cent	64,623,512 00		
		$1,206,604,112 00	$8,297,922 83	$1,214,902,034 83
Debt on which interest has ceased since maturity		5,374,185 26	203,128 98	5,577,314 24
Debt bearing no interest	Old demand and legal-tender notes	346,758,436 00		
	Certificates of deposit	19,105,000 00		
	Gold certificates	74,718,517 00		
	Silver certificates	87,564,044 00		
	Fractional currency, less $8,375,934, estimated as lost or destroyed	6,953,702 52		
		535,079,699 52		535,079,699 52
Total		1,747,057,996 78	8,501,051 81	1,755,559,048 59
Less cash items available for reduction of the debt			195,265,443 06	
Less reserve held for redemption of United States notes			100,000,000 00	
				295,265,443 06
Total debt, less available cash items				1,460,293,605 53
Net cash in the Treasury				80,206,325 98
Debt, less cash in the Treasury, August 1, 1886				1,380,087,279 55
Debt, less cash in the Treasury, July 1, 1886				1,389,136,383 40
Decrease of debt during the month				9,049,103 85

This statement, while showing a reduction of the public debt during the month of July of $9,049,103.85, still shows that on the 1st day of August, 1886, there was in the Treasury a net balance of cash in the Treasury, beyond all present demands of the Government, the enormous sum of $80,206,325.98, and that 3 per cent. bonds to the amount of $140,011,750.00 were still outstanding, past due and liable to redemption. So with $80,206,325.98 lying idle in the Treasury, not required for any purpose of Government, with the current revenues over current expenditures reducing the public debt at the rate of $9,049,103.85 per month, we continue to pay 3 per cent. interest on $140,011,750!

Is this done to still further strengthen the "public credit," or for the benefit of the national banks which have deposited the larger portion of the $140,011,750 as security for their issues? If for either purpose, were public revenues ever applied or withheld from application for a purpose so unjustifiable?

Is the public credit in peril when the current revenues over the current expenditures reach monthly the large sum of $9,049,103.85? And why is not this surplus applied? Is it possible that the public revenues are to remain idle in the Treasury, revenues coined from the sweat of labor for the direct benefit of banks?

See, sir, how we are drifting, referring again to the report of the Secretary of the Treasury on the 1st day of the present month. Comparing the state of the Treasury on the 1st day of July, 1886, with its condition on the 1st day of August, 1886, let us see the condition of our Treasury. The following is the statement of the Secretary of the Treasury of the condition of the Treasury on the 1st day of each month, July and August, 1886:

COMPARISON.

Cash in the Treasury.	August 1.		July 1.		Increase.	Decrease.
Available for reduction of the public debt:						
Gold held for gold certificates actually outstanding		$74,718,517 00		$76,044,375 00		
Silver held for silver certificates actually outstanding		87,564,044 00		88,116,225 00		
United States notes held for certificates of deposit actually outstanding		19,105,000 00		18,250,000 00		
Cash held for matured debt and interest unpaid		13,875,237 07		18,999,817 05		
United States bonds and interest				3,789,163 51		
Fractional currency		2,644 99		2,667 17		
Total available for reduction of the debt		195,265,443 06		205,202,247 73		$9,936,804,67
Reserve fund:						
Held for redemption of United States notes, acts January 14, 1875, and July 12, 1882		100,000,000 00		100,000,000 00		
Unavailable for reduction of the debt:						
Fractional silver coin	$28,584,624 69		$28,904,681 66			
Minor coin	343,291 94		377,814 00			
		28,927,916 63		29,282,495 66		354,579 03
Certificates held as cash:						
Legal tender	470,000 00		250,000 00			
Gold	52,258,360 00		55,129,870 00			
Silver	27,728,858 00		27,861,450 00			
		80,457,218 00		83,241,320 00		2,784,102 00
Net cash balance on hand		80,206,325 98		75,191,109 95	$5,015,216 03	
Total cash in the Treasury as shown by Treasurer's general account		484,856,903 67		492,917,173 34	5,015,216 03	13,075,485 70
Net decrease in cash						8,060,269 67

From this statement it appears that with cash in the Treasury amounting to the enormous sum of $484,856,903.67 (a sum more than seven times as great as the entire annual expenses of the Government only thirty years ago), with every conceivable current liability of the Government provided for, interest on every conceivable obligation counted in, and the principal of every matured bond (except those bearing the 3 per cent. interest) counted in, even including the possible liability of the Government for fractional currency long since lost beyond question, there was still remaining in the Treasury on the 1st day of August, 1886, the sum of $80,206,325.98, and that on the 1st day of July, 1886, that balance was $75,191,109.95, showing an increase of the net balance in the Treasury in a single month of $5,015,216.03; and yet there is hesitation about paying this net balance on the public debt.

The revenues of the Government are nearly a million dollars a day. During the fiscal year ending on the 30th day of last June they amounted to $336,144,290 without taking the postal revenues into the account, and they will be found to be at least $44,000,000 when the account is made up, but the postal funds do not enter into my calculations. From all present indications the revenues will exceed the current expenditures during this year $80,000,000. I predict that it will reach $90,000,000, and yet in the interest of the "public credit" the enormous balance of $80,206,325.98 must lie idle in the Treasury, subject to the discretion of the Secretary of the Treasury, unless this joint resolution is passed, and if it is, $30,000,000 with the daily accruing increased net balance in the Treasury will remain idle, all in the discretion of the Secretary of the Treasury. I protest against this line of public policy.

The public credit is not in danger and never has been to the injury of the people even in a time of war. Capital will assert and always has asserted its advantage when the Government is in peril. No matter how much magnanimity you may extend to capital to-day when the emergency comes its demands will be inexorable. The extraordinary concessions you were compelled to make in 1862-'63 to the great capital interests of the country fully attest this, and the unexampled concession made by Congress to the great capital interests by the act "to strengthen the public credit," March 18, 1869, by which hundreds of millions of dollars was added to the value of the public securities and a like burden laid on the shoulder of labor, expresses the mastery of that interest in controlling our affairs. And yet, sir, a tender anxiety for the national banks and an overweaning anxiety for the "public credit" must hoard millions of money in the public Treasury, perpetuating a system of taxation that scrimps the comforts of every home in the land.

But, sir, we are more than ever confronted with the fact that the national Treasury has for years ceased to be simply "the Treasury of the United States." Will gentlemen consider how greatly we have departed from the former theories and practice of our Government in relation to the national Treasury? The Treasury of the United States was designed to be simply "a treasury" to receive, keep in safety, and disburse the public funds under the appropriations made by Congress. The subtreasury system now in force was especially designed to carry that method of controlling the public fund into effect. The subtreasury is not a bank but an institution of Government.

But it is becoming more and more obvious every year that the Treasury of the United States instead of being a depository of the taxes gathered from the labor of our people, and charged with the simple duty of keeping them in safety until required for the public use and then applying them as Congress shall from time to time direct, is becoming a financial power influencing as an irresistible force the monetary and financial affairs of the country. I submit that there is a wide departure from the earlier and better methods and practices of the Treasury Department. I insist that the Treasury Department has nothing to do with the national-bank system except so far as the national banks become in effect subtreasuries as depositories of the public funds.

I insist that the Treasury of the United States shall receive the taxes and other public revenues which under provisions of law shall from time to time accrue to the United States, keep them in safety, and pay them out as Congress shall direct, and nothing more. I insist that except as to the public debt, and indeed even as to that, this is the limit of its power; and as to the public debt and the surplus in the Treasury the duty of the Secretary is plain—the surplus shall be applied on the matured debt, whether it be a bond payable under a permanent appropriation or any other debt which Congress either by general law or current appropriation shall direct to be paid.

A great surplus in the Treasury, or indeed any surplus in the Treasury, is a public misfortune, a calamity. If the surplus in the public Treasury is not applied to the public debt it will be applied to the advancement of the countless schemes of public plunder and public robbery which the inventive schemes of the ever aggressive lobby will bring forward.

With this great surplus now in the Treasury, or with even $100,000,000 there to redeem the greenbacks, on the utopian idea of "great financiers" (the men who amass fortunes out of the labor of other people) honest and frugal government is impossible.

The country will be, I trust, alarmed at the prodigal growth of the expenditure of our Government; and yet no force can prevent it except the commanding force of public opinion. The frugal Government of former years can only be secured by the old methods, moderate and reasonable taxation.

Gentlemen talk about the national credit. I admit its value, and yet in my judgment from the standpoint of public interests the motive for integrity and frugality is still greater. Until of recent years this talk of the "national credit" was unknown. It seems to relate to the public securities, and yet in the history of the human race no nation has ever shown such an overweening anxiety to promote the interests of its creditors, the holders of its bonds and securities, as the United States, as will be seen by many acts of Congress, and especially by the act of March 18, 1869, to which I have referred. The tendency of a surplus in the Treasury—a great surplus, such as has been permitted in recent years, and such as is proposed by the pending report of the conferees of the two Houses—is fatal to frugal and honest government.

The $100,000,000 to be kept in the Treasury to redeem United States notes, when in fact no such redemption occurs, was and is a measure no one can justify or defend except as a compromise between conflicting views. A great balance in the Treasury, no matter what may be the pretense of retaining it, renders extravagant and even profligate expenditure absolutely certain. The experience of this session demonstrates, as every one of recent years has, how impossible it is for Congress to legislate cautiously and prudently in regard to appropriations with an overflowing Treasury at the other end of the Avenue.

It can not be denied that this resistance to the application of the funds in the Treasury to the payment of the public debt is greatly influenced by the apprehension that the Secretary of the Treasury may find it necessary to employ the silver money hoarded in the Treasury as well as gold in payment of the public securities, and yet this silver money is a full legal tender for all purposes and fully meets the extraordinary engagement of the Government of March 18, 1869, to pay in coin obligations based upon an inflated paper currency and payable, as to principal, in that currency by the terms of the contract.

It would be hard to convince any fair-minded man that the public creditors had any right to complain, and it is certain that silver money must enter into our monetary system and constitute a part of the currency of the country, or else great capital interests will absolutely control our affairs. This covert war on silver money is one of the most extraordinary features of our period and clearly indicates the aggressive spirit and selfish purpose of the great capital interest of the country. The public creditors have no right to complain. No other nation has ever treated its public creditors with as much favor and consideration as ours has done.

But it must be apparent to all men that this great Treasury system of ours has been for years going beyond the plain and simple duty of the Treasury of the United States, receiving, keeping in safety, and disbursing the public funds as directed by law. The real question forced upon us is, Shall the Treasury of the United States become a great banking establishment? I think the people of this country will answer this question with a most emphatic negative. If the public Treasury is to regulate and control the current finances and commercial affairs of the country the leading attribute of republican government must soon disappear.

All men can see that if the Treasury of the United States becomes a regulating and controlling financial power in the current financial and commercial affairs of the country, as it will and must be in the progress of time with vast deposits of money under its control, it will of itself produce a complete change in the character of our institutions. Splendid government will take the place of the old-time plain and simple republican institutions. The wealth of the country, not the people, will control its affairs.

I trust the country will compel Congress to apply this great surplus of money in the Treasury to the payment of the public debt, and demand such a reduction of taxation as will leave no surplus in the Treasury to tempt or encourage inconsiderate or profligate legislation.

Increase of the Naval Establishment.

SPEECH

OF

HON. JAMES M. RIGGS,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, July 24, 1886,

On the bill (H. R. 6664) to increase the naval establishment.

Mr. RIGGS said:

Mr. CHAIRMAN: I avail myself of the present opportunity to express, briefly, my position with reference to the construction of a navy. We have, practically, no navy now. We have a long coast line on which are situated many cities and harbors, including the great metropolis

of our country, all exposed to the dangers of attack and absolute demolition in case we should become suddenly involved in war with one of the powers possessing a navy.

I do not intend to go into details, or attempt to make an elaborate presentation of the subject. And I can not do better, in making a statement of our defenseless condition and the dire results which might follow from it, than to quote from a letter written not many months ago by that eminent statesman—whose name is so dear to every Democratic heart—Samuel J. Tilden. He says:

The property exposed to destruction in the twelve seaports—Portland, Portsmouth, Boston, Newport, New York, Philadelphia, Baltimore, Charleston, Savannah, New Orleans, Galveston, and San Francisco—can not be less in value than $5,000,000,000. To this must be added the vast amount of property depending for its use on these seaports. Nor does this statement afford a true measure of the damage which might be caused to the property and business of the country by a failure to protect these seaports from hostile naval attacks. They are the centers, not only of foreign commerce, but of most of the internal trade and exchanges of domestic productions. To this state of things the machinery of transportation of the whole country has become adapted. The interruption of the currents of traffic by the occupation of one or more of our principal seaports by a foreign enemy, or the destruction of them by bombardment, or the holding over them the menace of destruction for the purpose of exacting contribution or ransom, would inflict upon the prosperity and business of the country an injury which can neither be foreseen nor measured. The best guarantee against aggression, the best assurance that our diplomacy will be successful and pacific, and that our rights and honor will be respected by other nations, is in their knowledge that we are in a situation to vindicate our reputation and interests.

This is a terse and true statement of our defenseless condition. The same great statesman also says:

It is now more than sixty years since we announced to the world that we should resist any attempts, from whatever quarter they might come, to make any new colonizations on any part of the American continent; that while we should respect the *status quo*, we should protect the people of the different nations inhabiting this continent from every attempt to subject them to the dominion of any European power or to interfere with their undisturbed exercise of the rights of self-government. This announcement was formally made by President Monroe after consultation with Mr. Madison and Mr. Jefferson. It was formulated by John Quincy Adams. Our Government has firmly adhered to the Monroe doctrine, and even so late as 1865 it warned Napoleon III out of Mexico. It is impossible to foresee in the recent scramble of the European powers for acquisition of colonies how soon an occasion may arise for our putting in practice the Monroe doctrine. It is clear that there ought to be some relation between our assertion of that doctrine and our preparation to maintain it.

In the same letter he further says:

A million of soldiers with the best equipments on the heights surrounding the harbor of New York, in our present state of preparation, or rather in our total want of preparation, would be powerless to resist a small squadron of war steamers. This state of things is discreditable to our foresight and to our prudence.

It is true that the letter was written mainly with reference to the duty and necessity of promptly constructing coast defenses in the way of fortifications, but what I have quoted is just as applicable to the duty and necessity of constructing a suitable and efficient Navy; and that portion of it which alludes to our assertion and maintenance of the Monroe doctrine is more in point with reference to the construction of a Navy, because should we have occasion to forcibly maintain that doctrine we would be compelled to employ naval warfare.

Now, I desire to quote from the platforms adopted by the two great political parties in 1884, not with a view of making a stump speech here on this floor, for I am not here for that purpose, but solely to ascertain and state the position which the majority party in this House occupied before the country, with reference to this subject, during the last Presidential campaign.

The Republican party first met in convention and adopted a platform. The seventeenth paragraph of that instrument contains the following:

We demand the restoration of our Navy to its old-time strength and efficiency, that it may in any high sea protect the rights of the American citizens and the interests of American commerce.

Afterward the Democratic party through its convention animadverted severely upon the course of the Republican party in failing to construct a navy, and, alluding to the above quotation from the Republican platform, said:

It demands the restoration of the Navy; it has squandered hundreds of millions to create a navy which does not exist.

Thus we have both parties admitting that we have no navy; the one demanding a restoration thereof to its former efficient condition, the other condemning that one for not having, while long in power, constructed or restored the Navy.

But returning again to the Democratic platform, I find the following language:

The Democratic party insists that it is the duty of the Government to protect with equal fidelity and vigilance the rights of its citizens, native and naturalized, at home and abroad. * * * It is an imperative duty of this Government to efficiently protect all the rights of persons and property of every American citizen in foreign lands and demand and enforce full reparation for any invasion thereof.

How can the Government discharge this duty to its citizens in foreign lands without a navy? Do not these quotations from the last political platform of the Democratic party bind it to construct and maintain an efficient navy while it is in power? It seems to me there is no escape from this.

It is well known—none of us have forgotten—that during the Presidential campaign of 1884 our party journals, the Democratic newspapers, all over this country unsparingly attacked the Republican party for not having built and maintained a navy, and if they did not expressly, they did impliedly promise that in the event we—the Democracy—succeeded we would put the country in a position to maintain the rights of its citizens abroad, enforce the Monroe doctrine, and defend itself against all assaults from without. The same attacks were made on the other party by our political speakers in every nook and corner of the land, and the same promises were made by them.

Shall we redeem those promises? Or shall we permit the country to remain in a defenseless condition and place ourselves in such an attitude that when the campaign of 1888 comes the Republican party can justly say of the Democratic party, in its platform, what the latter said of the former in 1884·

Its platform promises are now a list of its past failures.

Mr. Chairman, the majority in this body is now politically in accord with the executive branch of the Government, and ought to have some regard for the opinions and recommendations thereof, and I want to call the attention of this side of the House to some of those opinions and recommendations. Theodore D. Wilson, Chief of the Bureau of Construction and Repair in the Navy Department, in his last annual report, speaking of the propriety and necessity of completing monitors which have been begun, says:

The bureau has estimated for the necessary amount of money to complete the work in construction department on the double-turreted monitors Puritan, Terror, Amphitrite, and Monadnock, and trusts that Congress will appropriate the amount asked for ($2,923,656), that these vessels may be completed. The machinery of the Puritan has been erected and the dock trial had, and contracts have been made by the Bureau of Steam Engineering for the erection of the machinery in the Terror and Amphitrite, but the work under this bureau remains at a standstill.

I can not too strongly urge the completion of these vessels, in all respects, at an early day, as they will afford as good vessels of their class as are owned by any nation, and are in my opinion the best type of coast and harbor defense vessels in existence to-day. It will require at least a year to obtain their side and turret armor after it is authorized. It therefore seems very necessary that money for armor, if for nothing more, should be appropriated at an early day, in order that contracts for securing it may be made with as little delay as possible. When completed we will have five splendid coast and harbor defense ironclads. Should occasion require it they can be sent to distant points; their seaworthiness has been well tested in the past.

The Admiral of the Navy, in his last report, speaking on the same subject, says:

We have such a shadow of a navy that we can not afford to throw away any thing in the shape of an ironclad, and those that we have for home defense are worth more than all the wooden vessels in the service.

These remarks are still more applicable to the Amphitrite, Miantonomoh, Monadnock, Puritan, and Terror, turreted vessels under construction, which, if finished, will be valuable additions to the Navy. When they are finished and fitted with modern batteries, there will be no better vessels of this class in any navy, for home defense, which is the only service that should be expected of them, although their capacity to cross the ocean and encounter the most tempestuous weather has been fully demonstrated.

A few years ago, when we were on the verge of a war with Spain, the officers of the Navy would have been much better satisfied if these vessels had been in condition for service.

Should they now be completed they would give such a prestige to the Navy as it has not enjoyed for twenty years, and though far from furnishing all the power required for the protection of our coasts, their completion must show a desire on the part of Congress to begin the reconstruction of the Navy at the point where it is most needed, namely, the protection of our coast, which is now at the mercy of foreign powers.

With such a nucleus of a force as these monitors completed would present there would be much greater hesitation on the part of an enemy in molesting our seaboard cities.

It seems to me to be bad policy to leave the monitors in their present condition. We can not afford to throw them away. We can not sell them as they are, and they are deteriorating by being kept in an unfinished state.

From long-continued observation I am satisfied that the strictures made in regard to the construction of these vessels are very unjust. As far as the work has gone they are better vessels than the originals which they represent, and which at the time they were built were considered to be remarkably efficient, either one of them being more than a match for any contemporary European ironclad.

About $3,000,000 are, I believe, required to finish the ironclads, and when they are completed and properly armed we will at least have taken an important step toward the resurrection of a navy which at one time was one of the best equipped in the world.

Every year adds to the deterioration of the vessels in question, and consequently increases their cost. They are now in that state when they can be completed with all the modern improvements without altering the work already done, and with but little more expense than was originally estimated.

The present Secretary of the Navy, in his annual report, commends the recommendations of these bureau officers in the following language:

Cruising ships, however, we must have, unless the policy of continuing repairs upon worthless ships is to continue, or unless we are to abandon the national duty of affording the security and protection of our presence and power throughout the world wherever our people sojourn.

I commend to your consideration the recommendations of the bureau officers of the Department upon these subjects.

Now, shall we heed these recommendations of our own Department officer? But I want to call attention to another portion of the report of the Secretary. It is as follows:

At the present moment it must be conceded that we have nothing which deserves to be called a navy. The highest official authority in our service said in 1876:

"There is no navy in the world that is not in advance of us with regard to ships and guns, and I, in common with the older officers of the service, feel an anxiety on the subject which can only be appreciated by those who have to command fleets and take them into battle."

And so recently as 1883 the same distinguished authority stated that it was universally admitted "that we have no navy either for offense or defense."

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It is questionable whether we have a single naval vessel finished and afloat at the present time that could be trusted to encounter the ships of any important power—a single vessel that has either the necessary armor for protection, speed

for escape, or weapons for defense. This is no secret; the fact has been repeatedly commented upon in Congress by the leading members of both parties, confessed by our highest naval authorities, and deprecated by all. Such is not the kind of navy which this country, with its extensive coast line, its enormous territorial area, and incalculable commercial resources, requires, nor such as it is entitled to have.

This country can afford to have, and it can not afford to lack, a naval force at least so formidable that its dealings with foreign powers will not be influenced at any time, nor even be suspected of being influenced, by a consciousness of weakness on the sea. While still striving to build up its merchant marine and to multiply its relations with foreign markets, it can not be expected much longer to tolerate such expenditures for a navy which could not for a moment defend even its diminutive commerce against any considerable power.

A naval vessel at the present moment is a product of science. Taking the world over, it will be found that each part of her—her armor, her armament, her power, her form, and the distribution of her parts or characteristics—each of these features of the completed vessel is absorbing from year to year the exclusive study of a class of scientific men. And as men of science throughout the world are continually stimulated to new discoveries and inventions, no vessel that can be built can be considered a finality in any particular.

The problem of keeping pace with the march of improvement in these lines of industry is one of incalculable difficulty; and yet unless the Government is prepared to avail itself promptly of all the improvements that are made in the construction and equipment of its ships its expenditures are largely useless.

It is of little service to a nation to have any navy at all unless it is a fair expression of the highest scientific resources of its day. The destructive power of the modern implements has become so great as to dominate in actual warfare. The bravest and best commander is helpless without them.

For the construction and maintenance of such a navy we have made but little provision. To have and maintain such a navy is, I believe, the wish of the country and the duty of the Government.

Mr. Chairman, this is not all. The President of the United States, whom we elected on the platform from which I have quoted, in his annual message has said:

Congress at its last session authorized the construction of two additional new cruisers and two gunboats, at a cost not exceeding in the aggregate $2,995,000. The appropriation for this purpose having become available on the 1st day of July last, steps were at once taken for the procurement of such plans for the construction of these vessels as would be likely to insure their usefulness when completed. These are of the utmost importance, considering the constant advance in the art of building vessels of this character, and the time is not lost which is spent in their careful consideration and selection.

All must admit the importance of an effective navy to a nation like ours, having such an extended sea-coast to protect. And yet we have not a single vessel of war that could keep the seas against a first-class vessel of any important power. Such a condition ought not longer to continue. The nation that can not resist aggression is constantly exposed to it. Its foreign policy is of necessity weak, and its negotiations are conducted with disadvantage, because it is not in condition to enforce the terms dictated by its sense of right and justice.

Now, Mr. Chairman, the case briefly summarized is this: Our great country, with its sixty millions of people and untold wealth, has no navy, and is almost in a defenseless condition. The party to which the majority of this House belongs, impliedly at least in its last platform, and expressly through its press and public speakers, promised the construction of a proper and efficient navy.

The Secretary of the Navy, who is in accord with that majority, has strongly recommended it. The President of the United States, whom that majority elected, has also recommended it. The condition of the country and our duty demand it.

Shall we heed the recommendations and admonitions of our own President and Secretary on this subject? Shall we redeem our pledges to the people? And, above all, shall we discharge our solemn duty to our country and place it in a condition that will enable it to defend itself when necessary?

Of course it will cost something to construct a navy, but we will surely never have one without paying for it. As suggested by the revered Democratic statesman, from whose letter I have quoted, there is a large and increasing surplus of revenue in the Treasury.

From this we may take enough for this purpose without crippling the operations of the Government, without impairing its ability to discharge other obligations. For myself, I am in favor of providing for the public defense. I am in favor of redeeming the promises we made to the people of this country. I am in favor of discharging the duty we owe the country in this regard, and will, whenever I have the opportunity, vote for all proper measures looking to the accomplishment of these ends.

Shall we Build and Maintain a Naval Establishment?

SPEECH

OF

HON. WILLIAM McADOO,

OF NEW JERSEY,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, July 24, 1886,

On the bill (H. R. 6664) to increase the naval establishment.

Mr. McADOO said:

Mr. CHAIRMAN: We are to-day virtually without the material that constitutes a navy. It is idle to recount the causes that have produced this state of affairs. Partisan and personal considerations might influence such profitless discussion, but our duty is plainly to address ourselves to the main question of building the new navy, the manner of its construction, and the kind of vessels to be built. It is to me strange that at this late day there should appear in this House a number of gentlemen who, if small in number, are certainly respectable in character and ability, and who seem to be in opposition to any naval establishment. As I have before stated on this floor, Democratic jealousy of military establishments can not be legitimately extended to the naval and militia arms of the Government.

In the discussions which took place at the formative period of our Government a clear line of demarkation was ably pointed out between maintaining a regular army and these other arms of governmental power. A large regular army was looked upon with dread and suspicion. The States, as well as the people, were determined that no great military establishment should ever be placed in the hands of the central government. The people had painful and acute memories of the result of the resplendent and powerful military establishments of Europe. "Freemen," as John Randolph said, in the Eleventh Congress, "needed not to be defended by hirelings." The militia are freemen in arms to maintain the laws made by freemen in council. Our laws being the result of popular action, power to enforce an orderly obedience to them is part of our system. The military arm of the State conserves both the State and the Union.

Now, as to the naval establishment, I repeat what I have so often said here before; that is, that the Navy represents the power of our country not as against its own citizens, but as in defense of them, its own rights and dignity, against foreign aggression and interference. I take the liberty to repeat from the RECORD what I said a few days ago on this subject.

I agree with all that has been so well and eloquently and frequently said on this floor that the United States was able to defend itself successfully against any nation on the face of the earth. So long as we are a united people, and I thank heaven we are, there never will be an invasion of our soil, and no foreign nation, however powerful and great and warlike, that has trouble with the United States will ever undertake to land an army on our shores. The armies of Napoleon and Wellington combined could not invade the United States with its sixty million free people and its enormous territory and great wealth. But our seacoast cities and harbors are in peril.

A navy and a proper fortification of our coast are not in the line of monarchical government. A standing army affects our own people, but the navy and seacoast defenses only menace foreign powers. I am opposed to paternal government and for the man against the State just as much as the upright defender of the Constitution from Texas [Mr. REAGAN] or the able gentleman, Judge HOLMAN, from Indiana. But a government ceases to be a government when at its border lines it is not, as against foreign interests and foreign arms, protective, defensive, and paternal in the broadest and most sacred sense in guarding the lives, liberties, rights, and properties of its citizens and in upholding its own dignity and honor.

That is the very essence of government—to protect its citizens; and as against foreign nations or foreign interests I would provide the strongest defenses that can be produced by the energy and skill of man. Full freedom within, but unyielding, determined, undying, and eternal protection and defense against foreign interference in whatever form it may come. I do not advocate wild and extravagant navies and forts looking to foreign intermeddling and conquest, but sufficient to assert our rights and defend our coasts. Let the robber governments of Europe maintain tremendous military establishments. They need them; free and contented people do not.

Shall we build up and maintain a respectable naval establishment? Shall we protect our coasts at home and our citizens abroad? The wise and good men who directed the steps of the infant Republic answered this question in the affimative. I have taken the trouble to collect a few brief extracts from the State papers of our earlier history on this important question. I might read many, but content myself with a few from sources entitled to the greatest weight—that devoted band who, watching with untiring vigilance the rise and flow of the primal founts of popular government, gauged with an accuracy almost incredible the scope, breadth, and depth of its future progress and development.

Hon. Benjamin Stoddart, Secretary of the Navy, as early as 1798 thus expressed himself on this question:

The protection of our coast, the security of our extensive country from invasion in some of its weaker parts, the safety of our important commerce, and our future peace when the maritime nations of Europe war with each other, all seem to demand that our naval force should be augmented; so much augmented, indeed, as to make the most powerful nations desire our friendship—the most unprincipled respect our neutrality. The peaceful character of America will afford to the world sufficient security that we shall not be easily provoked to carry the war into the country of an enemy; and it will become the wisdom of America to provide a cheap defense to keep it from our own.

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Thus, in whatever view the subject is considered, whether our object be to prevent invasion, to protect our commerce, to obtain a speedy and a proper peace, to maintain peace hereafter, or by affording security to every part of our country to guard against the long train of ills which must result from disunion, the wisest, cheapest, and most peaceable means of obtaining the end we aim at will be prompt and vigorous measures for the creation of a navy sufficient for defense, but not for conquest.

In December, 1815, Secretary Crowninshield said in his report to Congress as to a naval establishment:

The importance of a permanent naval establishment appears to be sanctioned by the voice of the nation, and I have a satisfaction in stating that the means of its gradual increase are completely within the reach of our national resources independently of any foreign country.

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The commerce of the United States, increasing with the resources and population of the country, will require a commensurate protection which a navy alone can afford; and the experience derived from the active and vigorous employment of a limited navy during the period of the late war has demonstrated its efficient utility.

Mr. Bassett, from the Committee on Naval Affairs, on November 27, 1812, thus vigorously and accurately stated the naval question. It is as apropos as if delivered to-day. The whole question is briefly, admirably, and tersely stated. An American navy for defense and protection

is the popular demand now as then, and now as then let us answer with a law to increase the navy of the United States:

It is a bright attribute in the history of the tar that he has never destroyed the rights of the nation; in its defense only is he to be found. Thus aided by economy, and fortified by republican principle, your committee think they ought strongly to recommend that the fostering care of the nation be extended to the naval establishment. It is far, very far, from your committee to extend their views of a navy to the mad and wicked prospect of foreign conquest or a silly contest to be mistress of the ocean. Their view is limited to their own defense and to enforce respect to their just rights.

To the objection that it is the nature of man to run into extremes they answer that it is the end, not the beginning, we should guard against. It is surely yielding much of the argument to surrender all of the subject that is good and require submission to evil that good may come thereof. Rather separate the wheat from the chaff—show the good and the bad. Let it be impressed on every citizen that to use force to protect and maintain the rights and liberties of his country is his first duty, while it is the greatest of crimes to attack with force the rights of others. It can require no subtlety to enforce the distinction between defense and offense; neither can it require argument to prove the first ought not to be abandoned as being more than life is worth, though the other may be deprecated as the consummation of wickendess. Limited to the view of defense and protection, the commitee directed their chairman to ask leave of the House to report a bill to increase the Navy of the United States.

Listen to the voice of the statesman from South Carolina, Hon. Langdon Cheves, speaking in the Twelfth Congress, 1811, from the Committee on Naval Affairs. The voice of wisdom speaks here, my masters! History does indeed repeat itself, and human nature has changed little in all the ages, for he pictures here the very objections of our own day. As it is said in Scripture, "Wisdom is justified of all her children." How eloquently, ably, and strongly he presents the case:

That the subject referred to your committee in its several relations presents a question of the highest importance to the interests of the people of this country, inasmuch as it embraces one of the great and leading objects of their Government, and that which above all others laid the foundations of the happy Union of these States, your committee need hardly say they mean the protection of maritime commerce, an interest which, though when superficially viewed seems to affect only the Atlantic portions of the country, yet really extends as far as the utmost limits of its agriculture and can only be separated from it in the opinion of your committee by a total blindness to the just policy of Government.

The important engine of national strength and national security which is formed by a naval force has hitherto, in the opinion of the committee, been treated with a neglect highly impolitic, or supported by a spirit so languid as, while it has preserved the existence of the establishment, has had the effect of loading it with the imputations of wasteful expense and comparative inefficiency. No system has hitherto been adopted which though limited by the dispensing security of the times, and the just economy of our republican institutions, was yet calculated to enlarge itself gradually with the progress of the nation's growth in population, in wealth, and in commerce, or expand with an energy proportioned to a crisis of particular danger.

Such a course, impolitic under any circumstances, is the more so when it is demonstrably clear that this nation is inevitably destined to be a naval power, and that the virtue of economy, if no other motive could be found, would recommend a plan by which this force must be gradually increased, the necessary expenses diminished, and durability and permanency given to the strength which they may purchase.

That a naval protection is particularly secured to the interest of commerce by our great political compact is proved by that part of the Constitution which expressly gave to Congress the power "to provide and maintain a navy," and is confirmed by the history of the times and the particular circumstances which led to its institution; but it is alike secured by the fundamental nature of all government which extends to every interest under its authority a protection (if within the nation's means) which is adequate to its preservation; nor is this protection called for only by the partial interests of a particular description of men or of a particular tract of country. A navy is as necessary to protect the mouths of the Mississippi, the channel through which the produce of the agriculture of the Western States must pass to become valuable, as the bays of the Chesapeake and Delaware, and more necessary than on the shores of the Eastern or the Southern States.

President James Monroe, in his message to Congress on the subject of the Navy on January 30, 1824, thus spoke wisely and well. If he was living now he would learn how much more important in the view of some gentlemen it is to improve ghostly and undiscovered rivers and marine hallucinations under the guise of harbors that, however much they may trouble the Treasury, have no place in the thoughts of geographers. Here are a few extracts from his message:

If a system of universal and permanent peace could be established, or if, in war, the belligerent parties would respect the rights of neutral powers, we should have no occasion for a navy or an army. The expense and dangers of such establishments might be avoided. The history of all ages proves that this can not be presumed; on the contrary, that at least one-half of every century, in ancient as well as modern times, has been consumed in wars, and often of the most general and desolating character. Nor is there any cause to infer, if we examine the condition of the nations with which we have the most intercourse and strongest political relations, that we shall in future be exempt from that calamity within any period to which a national calculation may be extended. And as to the rights of neutral powers, it is sufficient to appeal to our own experience to demonstrate how little regard will be paid to them whenever they come in conflict with the interests of the powers at war, while we rely on the justice of our cause and on argument alone.

Two great objects are, therefore, to be regarded in the establishment of an adequate naval force—the first, to prevent war, so far as it may be practicable; the second, to diminish its calamities when it may be inevitable. Hence the subject of defense becomes intimately connected in all its parts, in war and in peace, for the land and at sea. No government will be disposed in its wars with other powers to violate our rights if it knows we have the means, are prepared, and resolved to defend them. The motive will also be diminished if it knows that our defenses by land are so well planned and executed that an invasion of our coasts can not be productive of the evils to which we have heretofore been exposed.

The great object, in the event of war, is to stop the enemy at the coast. If this is done, our cities and whole interior will be secure. For the accomplishment of this object our fortifications must be principally relied on. By placing strong works near the mouths of our great inlets, in such positions as to command the entrances into them, as may be done in many instances, it will be difficult if not impossible for ships to pass them, especially if other precautions, and particularly that of steam-batteries, are resorted to in their aid.

In the wars between other powers, into which we may be drawn in support of our neutral rights, it can not be doubted that this defense would be adequate to the purpose intended by it; nor can it be doubted that the knowledge that such works existed would form a strong motive with any power not to invade our rights, and thereby contribute essentially to prevent war.

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The amount of the property of our fellow-citizens, which was seized and confiscated or destroyed by the belligerent parties in the wars of the French revolution, and of those which followed, before we became a party to the war, is almost incalculable.

This recital might be continued in unbroken line to this day—so im portant to the future of the Navy, which if no obstruction ensues here may now take its first forward move since the civil war.

WHAT KIND OF NAVY SHOULD WE BUILD?

There being no reasonable room, in my humble opinion, for doubt as to the policy and wisdom of rehabilitating the Navy, we are confronted in this wondrous age of science and advance as to what kind of navy we should build. A navy is, I am convinced from all that I have read and heard on this subject, the best harbor defense. With us, in fact, this is its prime importance. We have no wish to emulate the mere glitter and display of aristocratic governments.

The manly simplicity and dignity of a true American embassador, amid the plumes, lace, stars, jewels, fantastic foolery, and glittering gilt of a European court, typifies truly our traditions and institutions. With us a navy is for use and as a necessary defense from outside powers. Thomas Jefferson, who will stand for all time without a rival as the father and founder of a great and enduring school of political thought, is on record as strongly recommending gunboats for harbor defense. He has given to the world a very interesting letter on this subject. The number of gunboats he advocated for the harbors of New York, Philadelphia, Norfolk, Charleston, and other ports would make his declared disciples on this floor, who criticise any naval increase, hold their breath.

Mr. Jefferson was a very broad-minded and wise man, and did not believe in logs, flags, and universal peace. Forts are well enough in their way, but, as Admiral Porter said before our Committee on Naval Affairs, in the whole history of the world, from the wars of Holland to the capture of New Orleans, ships have never been successfully opposed by forts. I read his testimony:

By Mr. McADOO:

Q. Do you not think that vessels of this type—monitor ironclad—would be a much better coast defense than any system we have got?

A. Without any hesitation I say it is the best system of defense in the world. The English try to do without it now and then and do away with the monitor turret as much as they can.

Q. Do you think it is better than forts and guns—better for coast and harbor defense than the coast fortifications?

A. I would not give anything for guns and forts. If you will give me five guns, one a ship to one on shore, I will volunteer to destroy any fort on the coast. There is no instance where ships have not whipped forts. As to our forts in New York Harbor, I would rather have those five vessels to protect New York Harbor than the forts.

If time permitted, the history of the advance and progress of naval architecture would, I think, be highly interesting. In this field the researches of science, the cunning and ingenuity of man, have been put to the full test. From the rude war vessels of the Greeks to the magnificent and nearly impregnable steel-armored war ships of Italy, France, and England, is of itself almost the history of modern civilization and mechanical invention. Before the civil war the United States was one of the great naval powers, if not the greatest. We had the resources, facilities, genius, and enterprise to build the model wooden war vessels. We led then; now we follow feebly and afar off. Iron superseded wood.

While we were healing up the hideous wounds of civil war Europe was directing all her skill and energy to prepare for future war on the seas. Even as our maritime and naval glory expired in the changes and losses of that great strife, American genius in the very heat of battle created the first successfully tested ironclads. Among the officers of our older Navy those who joined the South cast luster on our military schools by inventing and creating the iron-clad ram Merrimac and successfully using that dread of sailors, the torpedo. In saying this I do not forget the French war ship, La Gloire in 1858, nor the armored iron steam-frigate Warrior of the English.

This successful stroke of American genius and daring in the South was countered in the North by Mr. Ericsson's never to be forgotten Monitor, which has revolutionized the navies of the world and won for its patriotic, daring, persistent, and gifted inventor enduring and universal fame. The steps of naval growth to date are (1) the application of steam, strictly the screw propeller; (2) shell-firing and the increased power of artillery; (3) the use of armor; (4) the submarine torpedo. I can not do better than give here this brief history of naval development and growth from Francis T. Bowles, esq., assistant naval constructor. Mr. Bowles says:

The U. S. S. Princeton (1842-'43) was the first screw war steamer. She was designed by Ericsson, and her success and construction were mainly due to the efforts of Capt. R. F. Stockton, United States Navy. Great naval powers are reluctant to begin changes that involve costly reconstruction; this, with the conservatism regarding any new system, was the reason of the otherwise inconceivable reluctance of the English to take up the project of a screw navy. When the French built the screw line-of-battle ship Napoleon (1850) the English took alarm and began reconstruction with vigor; and the renovation of their navy by the application of the screw was well advanced in 1859, when the French

launched the iron-clad wooden frigate La Gloire. Then began the decline of unarmored battle-ships.

The principal incentive to the application of armor was the destruction anticipated from shell-fire. It was not until 1854 that naval batteries consisted entirely of shell-guns, the magazines being filled with loaded shells already fused. Admiral Dahlgren in the United States frigates of 1854 carried the application of this missile to great perfection. The Merrimac, one of these, visited Europe in 1856, startling naval administrations by the enormous shell-power of her battery. The swift destruction of the Turkish fleet at Sinope by the shells of the Russian ships during the war in the Crimea (1853) had much to do with hurrying forward its application; the destruction of the Congress and the Cumberland and the engagement between the Monitor and the Merrimac (1862) gave it fresh stimulus.

The first definite proposal for building an ironclad was made in 1841 by R. L. Stevens; armor, it is stated, was suggested by his father, John Stevens, in 1812. An act approved April 12, 1842, authorized the Secretary of the Navy to enter into a contract with Stevens for the construction of "a war steamer for harbor defense, shot and shell-proof, to be built principally of iron." The contract was made February 10, 1843; it called for the following dimensions: Length, not less than 250 feet; beam, not less than 40 feet; depth amidships, 40 feet; protection against shot, 4½ inches of iron; horse-power, 900. About this time Commodore Stockton, United States Navy, was experimenting at Sandy Hook with one of the 12-inch wrought-iron guns for the Princeton. A 224-pound shot, with 30-pound charge, was fired from it against a target representing the armor proposed by Stevens; it pierced the target and passed through a sand bank 8 feet thick. This stopped the construction of the ironclad until, by a second contract (November 14, 1844), Stevens increased the dimensions as follows: Length, 415 feet; beam, 48 feet; depth, 33 feet 6 inches; protection, 6¼ inches of iron; horse-power intended, 8,624. Work was begun in 1854; and when the vessel was about half completed the Government refused further appropriations. In the early part of the civil war (1861) the Navy Department again declined to ask Congress for money, a naval board having made an adverse report.

It was the initiative taken by the Emperor Napoleon III which brought about a complete revolution in modern naval construction for war, as the first ironclads used in battle were the French batteries Dévastation, Lave, and Tonnante, begun for service in the Crimea in September, 1854, two months after the keel of the Stevens battery was laid at Hoboken. They were all of the same dimensions, namely: Length, 171 feet 9 inches; beam, 43 feet 1 inch; draught, 8 feet 8 inches; hulls, of wood; armor, 4.33 inches thick; armament, sixteen guns of French "50," corresponding to 68-pounder, carried 2 feet 11 inches above water line. They were about 1,600 tons displacement, with speed about 4 knots an hour. They formed part of the fleet, carrying fifteen hundred guns, which destroyed Fort Kinburn, an inferior barbette work. The ironclads engaged at about 1,000 yards, at which range they were proof against 32-pound shot with 10-pound charges. The English adopted the design and built five, but they were never in action.

In view of these successful results, the French determined to build ships which should combine with their protective armor satisfactory sea-going qualities, and in March, 1858, the first iron-clad frigate, Gloire, was commenced at Toulon. The construction of two other wooden armored frigates—the Invincible and the Normandie, of the same type as the Gloire—and the Couronne, an iron vessel, was ordered. The latter ship differed from the others not only in the materials employed, but in the strength of the deck, which afforded protection against the projectiles then in use. The Couronne was especially constructed with a view of establishing comparison between wooden vessels and those of iron. The four frigates were completely armored above the water line with 5-inch plates resting on a 26-inch wood backing. The armament at that time consisted of thirty-six 5-ton guns mounted on a single battery, extending the whole length of the ship, 6 feet 3 inches above the water line.

England, where grave doubts had been felt as to the utility of armor, and of armored ships such as France was building, was at last compelled to follow in the same direction. The Warrior was ordered in June, 1859, a few months before the completion of the Gloire. The Warrior and her counterpart, the Black Prince, were one-half greater displacement than the Gloire, and 132 feet greater length; they were completely built of iron and armored with 4½-inch iron plates over a length of 218 feet out of a total length of 380 feet. Their speed was 14¼ knots, compared with 12.8 for the Gloire. The wise choice of the material of construction leaves them serviceable vessels to-day, while the French ships were some years since stricken from the list. The Defense and the Resistance, of 6,150 tons displacement, with similar disposition of armor, were commenced at the same time. In 1861, following upon the four ships just mentioned, England undertook the construction of not less than eleven ironclads, representing four different types—the Achilles, 9,800 tons displacement, armored along the whole length with 4½-inch plates, then the Minotaur, the Northumberland, and the Agincourt, of 10,500 tons displacement, similar to the Achilles, except that the armor was 5½ inches thickness amidships, tapering to 3 inches at the extremities. The vessels of the fourth type, the Hector and the Valiant, have proved more serviceable than the others, being smaller, more manageable, and much more economical; they were armored throughout the whole length with 4½-inch plates, the protection being only above the water line at the bow and stern. The Magenta and the Solferino, laid down two years after the Gloire, formed part of the first group of French ironclads. The second group consisted of ten vessels of the Provence or Flandre class. The displacement was slightly augmented, but the protection was increased to 6 inches of armor.

Thus, from the preceding, we see that for two years before our civil war European powers were fully committed to building battle-ships with armored broadsides, and that before the occurrence of any naval battle in the United States several of these vessels were afloat.

Up to 1855 the vessels built for the United States Navy were the best possible specimens of their class; among the early steamers, the Powhatan and the Susquehanna, at the time they were launched, in 1850, were the most efficient naval vessels afloat. The screw-frigates, built in 1855, were regarded all the world over as the model men-of-war of the period. Of these, the largest was the Niagara. The other five—the Roanoke, the Colorado, the Merrimac, the Minnesota, and the Wabash—were vessels of a little over 3,000 tons, and carried a powerful battery of shell-guns.

The twelve screw-vessels were of two classes, built in 1858, the first, of about 2,000 tons, including the corvettes Lancaster, Hartford, Richmond, Brooklyn, and Pensacola; the second class, small sloops. These were all admirable vessels, but they were no advance upon the type of the Wabash class. At the beginning of the war, of the ninety ships on the naval register fifty were sailing vessels, and only twenty-four of the forty others were serviceable steamers. We not only had not begun the construction of iron or armored vessels, but had only partially replaced sail-power by steam-power. The war forced upon us new systems, which, from lack of previous consideration, were first used in the crudest form. At the outbreak of the war a special naval board was appointed to determine upon types of ironclads to be built for immediate service. The three ships ordered on the recommendation of the board were the broadside vessels Galena and New Ironsides, and the Monitor. The first vessel was armored with bars, of 2½ inches total thickness, put on in a very complicated manner, which proved so deficient that the vessel failed in the first test under fire, in the James River, in an action from which the Monitor came out unharmed.

The New Ironsides was a casemated iron-clad wooden frigate with unarmored ends, except that the water-line belt was complete all around. Her armor consisted of 4½-inch solid plates backed by 21 inches of oak, the whole inclined throughout the casemate at an angle of 30° from the vertical. Her battery consisted of fourteen 11-inch smooth-bores and two 8-inch Parrott rifles. Though her speed was only about 6 knots at the best, this vessel performed most valuable and effective service throughout the war, both before fortifications and on the blockade. In a period of about six months she was struck some one hundred and ninety-three times, and never forced to go into a home port or to depend upon outside assistance for repairs. The Monitor was built of iron under the superintendence of, and from an original design by, John Ericsson. The opportune appearance of the Monitor in Hampton Roads in March, 1862, and her successful combat with the Merrimac, gave a fictitious value to this vessel as an example of naval architecture; for, though the plan was noble, the details were melancholy. Owing to her defective method of construction, the Monitor was lost at sea in a gale off Hatteras nine months after her first battle.

Notwithstanding the reports of several intelligent officers on the serious defects of this vessel many of them were repeated in the numerous monitors subsequently built of wood and of iron. Nevertheless they performed invaluable services and furnished the type of modern coast-service ironclads and a system of armament which has been followed in the most powerful iron-clads of recent construction. At the termination of the war it was determined to build four sea-going double-turreted monitors without overhanging armor-shelf at either the ends or the sides. These were the Miantonomoh, the Monadnock, the Terror, and the Amphitrite. Their hulls were of wood, and were armored with laminated plates 1 inch thick, with a total thickness of 6 inches at the sides and 12 inches on the turrets. The Miantonomoh made a voyage to England, where she attracted much attention, and was no doubt the progenitor of the Devastation; the Monadnock was sent round Cape Horn to San Francisco. In 1874 these vessels were broken up and "rebuilt" into the double-turreted monitors of the same names, which are at present unfinished.

During the period of our war iron-clad construction proceeded rapidly abroad, but until a later period it was more influenced by the developments in artillery than by the results of the war. The introduction, in 1864, of the 7½ and 15½-ton guns into the French armaments made the Flandre class ineffective before they were completed. In 1865 the Ocean was begun, and later the Marengo, the Suffren, and the Friedland, after the same type, only the latter being completely of iron. They were protected at the water-line by 8-inch armor. The armament consisted of four 23-ton guns mounted in a central battery protected by 6½-inch armor, and four 15½-ton guns in barbette turrets at each of the four corners, projecting beyond the sides of the ship, and armored with 6½-inch plates. The Friedland differs from the other ships in having only two barbettes, each armed with a 23-ton gun. In 1868-'69 a fourth group of ships was commenced, the Richelieu, the Colbert, and the Trident, plated with 9-inch armor and very similar to the preceding group, the excess of 1,200 tons displacement being devoted mainly to armor and armament. The hulls of these ships were constructed of wood, except the extremities forward and abaft of the central battery, which were of iron. Such was the construction of the French iron-clad navy up to the time of the Franco-German war.

The names of Stevens and Stockton in this statement of Mr. Bowles are interesting to me as a representative of New Jersey. They were both illustrious Jerseymen, of families respected for their patriotic history, their virtues, and their ability.

We are now confronted with these wonderful armadas and modern armaments. We must either abandon defense and protection or prepare to meet them, at least to a moderate extent. Lieut. William H. Jaques, United States Navy, presents this startling picture. It is made up of cold facts and figures:

There are 198 armor-clad vessels in the world available for offensive operations against the United States, and 42 more are building, making a total of 240. Of these, 194 are plated with wrought iron, 19 with all compound armor, 12 with compound and wrought iron, 10 with all steel, 4 with steel and wrought iron, and 1 with steel and compound armor. Only 8 of the 42 now building have all wrought-iron armor, 6 of these being in Russia. Only 6 of the 240 vessels are under 2,000 tons' displacement; 209 of the 240 are over 3,000 tons.

England owns 70 armor-clads, of which 13 are building.
France owns 50 armor-clads, of which 12 are building.
Russia owns 24 armor-clads, of which 6 are building.
Italy owns 19 armor-clads, of which 5 are building.
Turkey owns 15 armor-clads.
Germany owns 14 armor-clads.
Austria owns 13 armor-clads, of which 3 are building.
Denmark owns 7 armor-clads, of which 1 is building.
Holland owns 7 armor-clads.
Spain owns 6 armor-clads, of which 1 is building.
Brazil owns 6 armor-clads, of which 1 is building.
Japan owns 3 armor-clads.
Chili owns 3 armor-clads.
China owns 3 armor-clads.

Besides these vessels there are in Europe a large number of gunboats, monitors, and other vessels for coast defense, and an immense number of unarmored cruisers.

The United States has ready for service but six monitors of 2,100, and eight of 1,875 tons' displacement. These monitors are twenty years old, their guns are obsolete, their armor thin, and their power of offense or defense is insignificant. Besides these there are four monitors of over 3,800 tons each, and one (Puritan) of over 6,000 tons, in various stages of construction. The Miantonomoh, at the New York navy-yard, has hull and engines complete, and is being supplied with armor and guns. The Puritan, Amphitrite, and Terror are at private shipyards; they have the hull and engines practically complete, and are ready for their armor and guns. The Monadnock, at San Francisco, has the hull complete, but requires engines, armor, and guns. These four monitors will require together about 3,000 tons of armor.

The five large monitors, if armed with 10-inch high-power steel breech-loading rifles, will make good fighting ships, and will be efficient for coast defense and for service in the West Indies or at the Isthmus of Panama; and if armored with steel plates instead of iron (for which they were designed), they will have a very much superior power of resistance with the same displacement.

The coast-defense fortifications of the United States are considered by all authorities to be about worthless; we have no torpedo-boats nor automatic torpedoes; and submarine mines and electrically controlled torpedoes can be easily taken up unless protected by guns and automatic torpedoes; yet, from the estimates of Lieutenant Griffen, United States Army, there is now exposed to the fire of an enemy on our coast, in eleven cities, nearly $5,000,000,000 of destructible property.

And all this while the gallant and battle-scarred Admiral Porter recently made this statement before our committee:

Q. I am just directing your attention to the improvements in modern ordnance. What would be the effect of a bombardment of New York now?

A. There is a place near Coney Island [indicating on a rough diagram], which

I have surveyed, where an enemy could be out of the range of the guns at Fort Hamilton, and from where they could throw shot into the city hall and into the middle of Brooklyn. I had an argument with Secretary Fish once about this, and wrote him a letter showing how it could be done. There is a good deal of difference between a shell weighing 150 pounds and one weighing 800 pounds, with the increased charge of powder.

THE PRESENT BILL.

The bill now before us is the result of long and patient investigation on the part of the Naval Committee. It has the sanction of our best experts and of the present Secretary of the Navy, than whom a more able, upright, progressive, and devoted public officer never had in charge a great Department of Government. It has been reduced in its expenditures to meet the desires of conservative leaders in this House. For myself I would favor it if it provided for double the present number of ships, but I am content to take it as at least one step toward a respectable navy. It is, in my opinion, a wise and carefully considered matter and deserving of the confidence it inspires.

Any measure which at this period in the session, and especially on this day, would arouse any determined opposition would be doomed to defeat. No more advanced naval measure than this could have got a hearing at this time, and I believe it to be a patriotic duty to accept this bill without quibble or delay. Let us sink all personal and partisan considerations, and in the interest of our people and our country make of this bill law before this session adjourns. No more popular measure is before this Congress. No more pressing and righteous measure has ever been before any Congress.

The bill has, among others, three good, sound, and strong propositions. It proposes to build a first-class ironclad of the second grade, provide torpedo boats, and complete the monitors. This style of ironclad is a combination of cruiser and armored vessel, sometimes called a belted cruiser, from the fact that a belt of armor protects her vital parts. She has good speed, and when well armed a formidable battle-ship. The Navy Department will in all probability follow the plans of the recently constructed Brazilian ship Riachuelo. A naval expert thus describes that vessel:

Among the second-class ironclads the Brazilian twin-screw turret-ship Riachuelo, completed in England in 1884, is by far the best example. The Riachuelo is 305 feet in length, 52 feet beam, and 19 feet 6 inches mean draught at a displacement of 5,700 tons. On trial the engines developed 6,900 indicated horsepower with natural draught, giving a mean speed of 16½ knots per hour. The armor belt is 11 inches thick, 7 feet deep, and extends an armored deck 2 inches thick, depressed at either end of the ship to meet the ram and protect the steering-gear. Upon this are two oval 10-inch armored breastworks *en échelon*, rising to a height of 12 feet 6 inches above the water line, each supporting a turret whose turning and loading-gear it protects. Each turret mounts two 20-ton breech-loading rifled guns. The rest of the armament consists of six 70-pounder guns and 15 machine-guns. This vessel is a remarkable instance of the increased skill in marine engineering, the high speed obtained being mainly due to the great power developed from the limited weight of machinery.

Her internal machinery—now the great desideratum in marine architecture—is the acme of modern advancement. The skill and genius of American mechanics will readily duplicate if not improve upon this wonderful enginery. This vessel will be double-bottomed and divided into many water-tight compartments, and will besides have a complete torpedo outfit. She is made to chase, run, or fight, as may be most desirable.

As to the completion of the monitors, I can say that while many of us were prejudiced against them and the manner of their inception there is almost unanimity among naval experts in favor of completing them and as to their value when completed. Let me read a few brief opinions in their favor from the highest naval authorities. Speaking of them Secretary Whitney said:

Q. Give us your opinion as to whether this Congress ought to appropriate money to complete these monitors?

A. It would be my opinion that they ought. It was not my opinion originally when I first began to think about it. I think there has been considerable prejudice against these ships. They have been taken up piecemeal and carried on by little contracts and drawn on through a great many years, and I don't think perhaps in a business-like way. I think there is some prejudice against them from that. When you think what we have spent on those ships——

By Mr. HARMER:

Q. You base your opinion upon what their usefulness would be to the Navy?

A. Yes, sir. We have already spent nearly $5,000,000, and they require about four million two hundred and odd thousand to complete. So, of course, it is not as if it were an original question.

By Mr. NORWOOD:

Q. How many ships?

A. Five. As I have said, the Miantonomoh is nearly completed. She only requires about $200,000, and that entirely for her armament. I don't suppose for the expenditure of $4,000,000 you could expect to get the same amount of fighting qualities any way other than by completing those ships, and that I suppose is about what the question is just now.

By Mr. THOMAS:

Q. Before you leave the Miantonomoh I would like to ask you if you have made a personal examination of these vessels, especially the Puritan.

A. No; I have not.

Q. You have examined the Miantonomoh?

A. Yes, sir.

Q. For the purposes for which they are intended, do you not regard them, if completed according to your proposed plan, as first-class vessels?

A. I suppose they would be quite formidable vessels.

Q. Would be successful vessels, as far as you can judge now, for coast and harbor defense?

A. I should suppose so. It is a great question whether the turret form of carrying guns is not the best. When you undertake to carry the necessary amount of armament now, it is so weighty, it takes so much displacement, that it is a great question how to carry. The turret form was a great discovery, of course. The English have now abandoned it, but I think they will come back to it.

Admiral Porter, being questioned, thus spoke of them:

By Mr. THOMAS:

Q. They are perfectly seaworthy?

A. Yes, sir; no trouble about that.

Q. These vessels are not built on the same plans as the first monitor?

A. There is no comparison at all, though I would not like to have Mr. Ericsson hear me say so, because he does not think so. They are very much better. There are no finer vessels of that class. The British navy has not got them. I would rather take two of these vessels than take one of their sea-going ironclads. They would knock her to pieces. Take those big ships, the Lepanto and Italia. Those ships are of no practical use. They can not go to sea anywhere, and they can not maneuver like these vessels. Take two or three like them and put them around one of these Italian ships, and they will give her just as much as she wants. I am satisfied of that.

As to torpedo boats, it may be fairly stated that they represent the best and most efficient style of torpedo warfare. The submarine torpedo may be precautioned against, and the Whitehead auto-mobile torpedo is at best uncertain as against a moving vessel. They were launched against the Turkish fleet in the Russo-Turkish war with effect in only one case. Some were afterward found by the Turks intact, having failed in their aim. Our own, the Howell torpedo, promises better results. Torpedo boats are well suited to our harbors, and almost indispensable to our defense. The torpedo boat and the dynamite gun are yet destined to play important parts in naval warfare. The latter invention is entirely American. If sufficient force can be given to the projectile without endangering the gun, dynamite firing will be an eminent success. The bill provides for both torpedo boats and an experiment with the dynamite gun.

AN AMERICAN NAVY SHOULD BE BUILT IN AMERICA.

The bill is, in my opinion, a good one in another particular. It coincides with the full consensus of American authoritative opinion in the whole history of our country that an American navy should be built in America. A country that buys its war ships abroad can have no standing among nations. It would be an anomalous state of affairs if a country that produces $650,000 annually more manufactured products than Great Britain should be compelled to go to the latter for her war ships. Let us induce our manufacturers to get any plant now wanting so as to be able to produce the necessary steel ingots for guns and ships. This bill, if enforced, as I believe it will be, will do much to stimulate our own people to prepare to make both implements and vessels of war. I think I am not saying too much when I assert that such is the temper of Congress that if the question were whether we would have a foreign-built navy or none, many gentlemen, much as they desire one, would hesitate before buying war vessels or their parts abroad.

This is a healthy American spirit, which, while it may find critics among the very few who are fond of belittling their country, is the honest and patriotic sentiment of the overwhelming majority of our countrymen. Our mechanical and inventive genius is universally admitted; our resources are practically unlimited; our labor is the most intelligent and skilled in the world. To go abroad under these circumstances would be unpardonable. Our manufacturing plants for guns and ships are not yet perfect, but by compelling these ships to be built in the United States the great steel manufacturers will be stimulated to the necessary investment. Public and necessary expenditures should as far as possible benefit American labor. The great industrial army in mine and shop will not suffer in silence any deviation from this policy. There are many other phases of this bill which it would be interesting to discuss if time permitted. If this bill is passed to-day this Congress will be forgiven many faults of omission and commission.

WHAT MODERN NAVAL WAR MEANS.

Modern naval war is short, sharp, and decisive; mere valor can not contend against wealth and science. Our naval force, heroic in its *personnel*, and fired by glorious traditions and memories, could not without ships and proper armament maintain themselves against modern powers. If living to-day, the great galaxy of our naval heroes, from Paul Jones to McDonough, and from Perry to Farragut and Porter and Dupont, could not float our present skeleton Navy against an attack of the most moderate naval power. A coward behind 22 inches of pressed steel, armed with a hundred-ton rifled cannon, can readily destroy the bravest man and the best sailed wooden ship armed with smooth-bore, muzzle-loading, cast-iron guns. Let me read here this graphic description of a naval combat in the recent Franco-Chinese war; it is the official report of one of our naval officers to the Navy Department:

The signal, the discharge of a machine gun in one of the tops of the Lynx, was given at 1.56 p. m., and was answered immediately by the batteries and machine guns of all the French vessels. The Yung-Woo replied at once with her stern gun, and the other vessels as soon as they could bring their guns to bear. The action at once became general and the scene was soon enveloped in a dense smoke. At the signal the two torpedo boats launched out on their errand of destruction. The admiral in his flag-ship, with the Lynx, Aspic, and Vipère, slipped and moved up against the Yung-Woo and the vessels lying above him. To the Villars, Duguay-Trouin, and D'Estaing, assisted by the Triomphante, which came into action shortly after it began, was allotted the

destruction of the three gunboats anchored abreast of them and in silencing the works on Pagoda Point.

The Triomphante, which had been discovered coming in about 1.30 p. m., opened fire with her bow gun when about a mile off, and stood up to her station off the custom-house and near the D'Estaing.

Four minutes from the commencement of the action a heavy explosion told the successful work of the torpedo boat detailed to destroy the Yung-Woo. In this short time, and before the Yung-Woo was fairly in action and had brought her guns to bear, the torpedo had done its deadly work and destroyed this fine vessel. The officer in charge of the torpedo boat had successfully placed a torpedo under her counter while she was in the act of turning. It nearly blew her out of water and the vessel soon sank, on fire fore and aft, a total wreck. Many of her officers and crew perished. She lies close inshore, 100 yards above the point.

The torpedo boat dropped down the river out of action, her commander and one of her crew having been wounded, probably by one of the French machine guns.

Soon the whole scene was enveloped in smoke, nothing could be observed, and the effect of the incessant discharge of the heavy guns and machine guns was deafening. In about fifteen minutes the fire slackened and as the smoke rose the complete destruction of the Chinese fleet was disclosed, while the French vessels appeared uninjured. The Chuen-Wei was sinking at her anchors, riddled by shot, on fire from stem to stern, carrying most of her officers and crew down with her. She was gallantly fought, and went down with her colors flying and guns firing. She was overpowered by her antagonists and one of the torpedo-boats finished her. The two other vessels near her, the Fei-Yuen and Chi-an, met a similar fate. They drifted down the river total wrecks, in flames, and finally sunk near Flat Island. These three vessels could make no impression upon their opponents, the largest French vessels, and most of their officers and crews must have been cut down by the machine guns in the tops. They were riddled with shot.

The admiral, with the French gunboats, did equally destructive work above the point. All the Chinese vessels above him were sunk, and, with the exception of the Foo-Poo, were total wrecks. The commander of the Foo-Poo ran his vessel up the river after receiving several shots. She sank and broke her back. One of the mosquito boats drifted down the river a helpless wreck. Her decks were covered with dead and wounded, and she sank near the foreign shipping, a short distance below the point. About an hour after the action began one of the gunboats above the point, the Fah Shing, drifted down the river in flames, with the French colors flying. She had been carried by boarding, and passed out of sight through Mingan Pass. Two hours afterward a heavy explosion down the river told the story of her sad end. About 8 o'clock one of the transports which had been destroyed drifted down the river in flames, burned to the water's edge. She was sunk in a few moments by the French vessels before she exploded. (This was some time after these vessels had resumed their anchorages). The war-junks played no part in the action, and only served as targets for the French gunners. They were mostly sunk at their moorings. A number of fire-junks drifted down the river without doing any harm, and they passed out of sight below the pass.

In less than half an hour the entire Chinese fleet was destroyed, and all that could be seen of the fine fleet were hulks in flames, or sunken vessels. The French gunboats took position off the arsenal and kept up an active bombardment until sunset, when the fleet returned to their anchorage. The Chinese troops on the hills back of the point occasionally received attention with a few shell, which soon effected a retreat to safer quarters. During the night the electric light was actively employed to discover any movements on the part of the Chinese, and the occasional discharge of a gun reminded them of the alertness of their opponents.

The French fleet received no injury in any of its vessels. They were apparently unhurt after the action.

Imagine such an account following the bombardment of New York! And the Chinese have some really first-class war-vessels, while we have scarcely any. This short table is instructive in this connection:

Armored displacement tonnage of the navies of the world.

Country.	Effective.	Non-effective.	Total tonnage.
England	345,643	75,050	420,693
France	209,299	134,632	343,931
Russia	119,299	41,082	160,381
Italy	75,135	57,583	132,718
Germany	97,396	6,950	104,346
Turkey	.....	.....	69,530
Austria	.....	.....	63,780
United States	22,020	27,560	49,580
Spain	.....	.....	28,783
Holland	.....	.....	40,479
Denmark	.....	.....	17,925
Brazil	.....	.....	29,488
Sweden and Norway	.....	.....	16,652
China	.....	.....	17,615
Japan	.....	.....	10,880
Chili	.....	.....	8,250
Argentine Confederation	.....	.....	7,270
Portugal	.....	.....	2,479
Greece	.....	.....	3,834

NOTE.—The non-effective portions of the tonnage of England, France, Russia, Italy, and Germany consist of powerful sea-going ships of modern types building and to be ready for sea in two or three years; that of the United States consists of monitors of the old type, needing extensive repairs.

Speed the rising of the new navy! Speed the day when the 12,000 miles of our seacoast shall be properly defended, and when Canadian offensiveness, Mexican bluster, Spanish outrages, and general European contempt shall give place to respect, if not fear, of a people ready for defense and able to maintain their rights on sea as well as on land! We look not for conquest; we seek peace instead of war—to make men happy, free, and prosperous instead of coerce and enslave them; but the North American continent is dedicated to liberty, and our citizens and our rights must be protected in all lands. We excite now the jealousy and dislike of European states; let us not by our defenseless condition excite their cupidity and revenge.

The Financial Operations of the Post-Office Department.

SPEECH

OF

HON. JAMES H. BLOUNT,

OF GEORGIA.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 28, 1886.

The House having under consideration the bill (H. R. 9726) making appropriations to supply deficiencies in the appropriations for the fiscal year ending June 30, 1886, and for prior years, and for other purposes—

Mr. BLOUNT said:

Mr. SPEAKER: I beg to call attention to the following communication from the Postmaster-General, with the accompanying tables in relation to the postal service of the United States:

POST-OFFICE DEPARTMENT, OFFICE OF THE POSTMASTER-GENERAL,
Washington, D. C., July 26, 1886.

SIR: I have the honor to acknowledge due receipt of your communication under date of July 10, requesting that I furnish for the use of the Committee on the Post-Office and Post-Roads such information as may be in my power in regard to the financial operations of this Department during the preceding fiscal year ended June 30 last, and that I exhibit in some convenient form such changes as have been made in the rate of the cost of the postal service, including also the departmental service. Also, that so far as is possible you desire that I should embrace an account of the expenditures by the items usually mentioned in the acts of appropriation, and show the unexpended balances, if any, and whether any and what savings have been effected in the cost of the service; as well as any other information of kindred character which may suggest itself to me as of interest and value to the committee in this connection.

And in response thereto I transmit herewith tabular statements marked, respectively, "A" and "B," the first of which shows the amount of expenditure for supplies furnished for the use of the Department and the postal service during the fiscal year ended June 30, 1886, under contracts made since March 4, 1885, the date and duration of such contracts, cost of like kinds and quantities of supplies at prices paid under contracts made before the 4th of March, 1885, and the amount and rate of savings by the new contracts; and a further statement showing the estimated expenditure during the full contract term of four years of the four contracts made for that length of time since the 4th of March, 1885, being all the contracts of that duration, and the cost of like kinds and quantities of supplies at the prices in force March 4, 1885, and the rate of estimated amount of saving by the new contracts during the contract term.

I also transmit a table marked "C," showing the appropriations, expenditures, and unexpended balances for objects pertaining to the care of the Post-Office Department building and conduct of the departmental service and salaries of officers and employés of the Department, with the amount and rate of decrease of expenditures for the last fiscal year as compared with the preceding. Also a table marked "D," showing the appropriations, expenditures, and unexpended balances of appropriations, by fiscal years, from July 1, 1865, to June 30, 1886, inclusive, for the several objects mentioned in the caption of the table, which embrace all the ordinary items mentioned in the acts of appropriation for the postal service except such as are for the transportation of the mails, the free-delivery service, and such like compensation to postmasters and payments for ship, steamboat, and way letters, as are governed by law and not made by the Department.

All of these items not so embraced cover expenditures the amount of which for the last fiscal year can not be given until the Auditor's accounts are completed, usually about three months and a half after the end of the quarter. This table gives the average annual percentage of unexpended balances of appropriations for the twenty years preceding and for the last fiscal year, and like annual average percentage of increase with the percentage of increase for the last year. Also Table E, being the totals of the items included in Table D, for the year ended June 30, 1886, as illustrative of the method by which each year has been tabulated and the summary of results given in Table D.

As already indicated, it is impossible now to give the actual figures of the cost of the transportation of the mails for the last fiscal year. The Second Assistant Postmaster-General keeps accounts of the rate of cost from day to day, as affected by changes ordered in the Department, which indicate, perhaps better than the total figures of expenditures, the real saving effected in the star, steamboat, and mail-messenger service; and I transmit herewith his letter to me, under date of July 27, and four tables exhibitory of such changes as have been made in those branches of the service, together with some reductions in the expense of railroad transportation.

Table No. 1 exhibits a statement of the net monthly result of orders affecting the star, steamboat, and mail-messenger service from the 1st of April to the 30th of June, 1886. Many new or additional services have been provided in many instances, and curtailments and discontinuances in others which were demanded by the proper necessities of the service. Table No. 2 shows the annual rate of cost in these services as affected by the changes made since and by contracts for new service which had been made before March 4, 1885. Table No. 3 shows some items of reductions in the cost of railroad transportation and postal-car service.

There have been additions made to railroad transportation service by its extension upon new lines, and otherwise, to the amount during the fiscal year, in total, of $736,696, or at the rate of 4.99 per cent. on the whole service. During the preceding year such increase amounted to $1,146,899, or at the rate of 11.18 per cent. It is noteworthy in this connection that the increase in mileage of railroad service during the two years is disproportionate to the relative increase of cost, the increase in 1885 being 3,872 miles and in 1886 2,901 miles.

The table No. 4 exhibits the gratifying results of diminution in the rate of cost for the current fiscal year, begun with the 1st of the present month, caused by more favorable contracts in the Territories mentioned in the caption of the table, which have been advertised for at the periods there indicated.

The effect in the totality of compensation can not be during the past year equal to the diminution in the rate, because the changes have been gradual, as indicated by table No. 1. But during the current fiscal year results may be expected in a corresponding diminished cost.

I may further add, in connection with the tabular information given above, that the Auditor's reports for the first three-quarters of the fiscal year just closed indicate that the revenue will reach the estimate given in the last annual report of the Department, an increase now to be estimated with reasonable confidence at about $1,500,000 in the sale of stamps and stamped paper, a gratifying evidence of increasing advantages to the public of the postal service. On the other hand, the estimate for the expenses of the Department during the same year, as

shown in the departmental report for 1884 of $56,000,000, and even the corrected estimate in the report for last year of $53,000,000, will be so materially reduced that the deficiency for the year will prove to be probably two million less than was anticipated last year.

The total compensation to fourth-class postmasters during the past year has not made the expected percentage of increase. In many cases where the postmasters have been changed within sixteen months past, it has transpired, by the returns of cancellations since received, that occasion existed for the exercise of the powers vested in the Department by the act of June 30, 1879, to withhold commissions on false returns and allow only a reasonable compensation according to law. Orders in above one hundred such cases have diminished the compensation of the postmasters affected to the extent of $52,619.08, and a large number of cases are awaiting examination by the inspectors in which indications significantly point to a state of facts requiring further action of the same character.

I have the honor to be, very respectfully, yours,

WM. F. VILAS, *Postmaster-General.*

Hon. JAS. H. BLOUNT,
Chairman Committee on the Post-Office and Post-Roads,
House of Representatives.

TABLE A.—*Statement showing amount of expenditure for supplies furnished for use of the Post-Office Department and the postal service during the fiscal year ending June 30, 1886, under contracts made since March 4, 1885, the date of commencement and duration of such contracts, the cost of like kinds and quantities of supplies at the prices in the contracts in force March 4, 1885, and the amount and rate of saving by the new contracts.*

Articles.	Date of commencement of contract.	Duration of contract.	Expenditure year ended June 30, 1886.	Cost of like kinds and quantities of supplies in contracts in force, March 4, 1885.	Saving by new contracts.	
					Amount.	Per cent.
Adhesive postage-stamps	July 1, 1885	Four years	$114,969 09	$150,045 93	$35,076 84	23.3+
Postal cards	July 1, 1885	Four years	168,826 06	193,498 11	24,672 05	12.7+
Registered package, tag, and official envelopes	July 1, 1885	One year	72,366 21	127,703 22	55,337 01	43.3+
Mail-bags and mail-bag catchers	April 1, 1885	Four years	211,577 24	247,195 13	35,617 89	14.4+
Wrapping-paper	July 1, 1885	One year	11,216 25	12,099 78	883 53	7.3+
Wrapping-paper for facing slips	July 1, 1885	One year	17,700 00	29,100 00	11,400 00	39.1+
Twine	July 1, 1885	One year	69,522 00	78,424 50	8,902 50	11.3+
Marking and rating stamps	July 1, 1885	One year	9,420 40	10,967 74	1,547 34	14.1+
Letter-balances, test-weights, and scales	July 1, 1885	One year	1,120 00	638 00	*482 00	*75.5+
Stationery for postal service	July 1, 1885	One year	23,189 93	24,221 54	1,031 61	4.2+
Stationery for Department	July 1, 1885	One year	6,953 55	7,189 29	235 74	3.2+
Total			706,860 73	881,083 24	174,222 51	19.7+

*Increase.

TABLE B.—*Statement showing estimated expenditure during full contract term of four years of certain contracts made since March 4, 1885, for supplies for the postal service, the date of commencement of such contracts, the cost of like kinds and quantities of supplies at the prices in the contracts in force March 4, 1885, and the rate and estimated amount of saving by the new contracts.*

Article.	Date of commencement of contract.	Estimated expenditure for four years of contract term.	Cost of like kinds and quantities of supplies in contracts in force March 4, 1885.	Saving by new contracts.	
				Amount.	Per cent.
Adhesive postage-stamps	July 1, 1885	$495,023 82	$642,054 19	$147,030 37	22.9
Postal cards	July 1, 1885	756,712 38	862,840 04	106,127 66	12.3
Stamped envelopes and newspaper wrappers	October 1, 1886	3,245,693 75	4,187,991 94	942,298 19	22.5
Mail-bags and mail-bag catchers	April 1, 1885	900,000 00	1,051,401 86	151,401 86	14.4
Total		5,397,429 95	6,744,288 03	1,346,858 08	19.9

TABLE C.—*Statement showing appropriations, expenditures, and unexpended balances of appropriations for objects pertaining to the care of the Post-Office Department building, for the conduct of the departmental service, and for salaries of officers and employés of the Department; also amount and rate of decrease of expenditures for 1886 as compared to 1885.*

Items.	Year ended June 30, 1886.				Year ended June 30, 1885.				Decrease of expenditures of 1886 as compared with 1885.	
	Appropriations.	Expenditures.	Balances unexpended.		Appropriations.	Expenditures.	Balances unexpended.			
			Amount.	Per ct.			Amount.	Per ct.	Amount.	Per ct.
Stationery	$9,000 00	$6,245 20	$2,754 80	30.6	$9,000 00	$8,913 30	$86 70	.96	$2,668 10	29.9
Fuel, &c	7,200 00	6,681 05	518 95	7.2	7,200 00	7,032 07	167 93	2.33	351 02	4.9
Fuel, &c., additional building	1,300 00	436 60	863 40	66.4	.....	.....	.....	.....	.....	.....
Gas	6,600 00	4,777 51	1,822 49	27.6	6,600 00	5,331 94	1,268 06	19.2	554 43	10.3
Gas, additional building	400 00	361 95	38 05	9.5	.....	.....	.....	.....	.....	.....
Plumbing and gas-fixtures	4,700 00	3,634 30	1,065 70	22.6	4,700 00	4,692 49	7 51	.16	1,058 19	22.5
Telegraphing	5,000 00	2,165 55	2,834 45	56.6	5,900 00	2,880 93	3,019 07	51.1	715 38	24.8
Painting	4,700 00	2,407 56	2,292 44	48.7	4,700 00	4,662 22	37 78	.8	2,254 66	48.3
Carpets and matting	5,900 00	3,670 60	2,229 40	37.7	5,900 00	5,376 61	523 39	8.8	1,706 01	31.7
Furniture	7,500 00	1,353 86	6,146 14	81.9	7,500 00	6,340 02	1,159 98	15.4	4,986 16	78.6
Furniture, additional building	500 00	17 00	483 00	96.6	.....	.....	.....	.....	.....	.....
Keeping horses, &c	1,500 00	987 97	512 03	34.1	1,500 00	1,064 51	435 49	29.00	76 54	7.1
Hardware	1,700 00	534 81	1,165 19	68.5	1,700 00	1,601 22	98 78	5.8	1,066 41	66.5
Miscellaneous items	13,000 00	10,440 06	2,559 94	19.6	13,500 00	13,500 00	.....	.....	3,059 94	22.6
Miscellaneous items, additional building	500 00	50 50	449 50	89.9	.....	.....	.....	.....	.....	.....
Rent, topographers	1,500 00	1,500 00	.....	.....	1,500 00	1,500 00	.....	.....	.....	.....
Rent, money-order building	8,000 00	8,000 00	.....	.....	8,000 00	8,000 00	.....	.....	.....	.....
Rent, additional building	4,500 00	4,125 00	375 00	8.3	.....	.....	.....	.....	.....	.....
Official Postal Guides	29,000 00	13,708 60	15,291 40	52.7	29,000 00	26,421 69	2,578 31	8.89	12,713 09	48.1
Post-route maps	20,000 00	16,756 40	5,495 60	24.6	20,000 00	21,064 25	154 90	.73	4,307 85	20.4
Realized from sale of post-route maps	*2,262 00	.....	.....	.....	*1,219 15	.....	.....	.....	.....	.....
Foreign postage	500 00	448 50	51 50	10.3	.....	.....	.....	.....	.....	.....
Free penalty envelopes	3,600 00	1,533 89	2,066 11	57.3	.....	.....	.....	.....	.....	.....
Total of items pertaining to care of building, &c.	138,852 00	89,836 91	49,015 09	35.3	127,919 15	118,381 25	9,537 90	7.45	28,544 34	24.1
Salaries of officers and employés of Post Office Department	715,120 00	697,675 50	17,444 50	2.4	696,480 00	690,267 62	6,212 38	.89	†7,407 88	†1.07
Total of all the above	853,972 00	787,522 41	66,459 59	7.78	824,399 15	808,648 87	15,750 28	1.9	21,136 46	2.6

*By law credited as a further appropriation. †Increase.

TABLE D.—*Appropriations, expenditures, and unexpended balances of appropriations by fiscal years from July 1, 1865, to June 30, 1886, inclusive, of the following objects, for the service of the Post-Office Department, namely:* (1) *Mail depredations and post-office inspectors, and fees to United States marshals, attorneys, &c.;* (2) *advertising;* (3) *miscellaneous items, Office of the Postmaster-General;* (4) *compensation to clerks in post-offices;* (5) *wrapping paper;* (6) *twine;* (7) *marking and rating stamps;* (8) *letter-balances, test-weights, and scales;* (9) *rent, light, and fuel for post-offices;* (10) *office furniture;* (11) *stationery;* (12) *miscellaneous items, Office of the First Assistant Postmaster-General;* (13) *mail locks and keys;* (14) *mail-bags and mail-bag catchers;* (15) *miscellaneous items, Office of the Second Assistant Postmaster-General;* (16) *postage-stamps;* (17) *postage-stamp agency;* (18) *stamped envelopes and newspaper wrappers;* (19) *stamped-envelope agency;* (20) *postal cards;* (21) *postal-card agency;* (22) *registered package, tag, official and dead-letter envelopes, and locks and seals;* (23) *engraving, printing, and binding drafts and warrants;* and (24) *miscellaneous items, Office of the Third Assistant Postmaster-General.*

Year ended—	Appropriation.	Expenditure.	Unexpended balance of appropriation.		Increase of expenditure over that of previous years.	
			Amount.	Per cent.	Amount.	Per cent.
June 30, 1866	$2,108,500 00	$2,746,379 49	*$637,879 49	30.2	.....	.....
1867	2,972,000 00	3,232,752 70	*260,752 70	8.7	$486,373 21	17.7
1868	3,097,000 00	4,349,678 62	*1,252,678 62	40.4	1,116,925 92	34.5
1869	3,211,500 00	4,241,607 78	*1,030,107 78	32.0	†108,070 84	2.4
1870	4,596,234 48	3,902,407 70	693,826 78	15.0	†339,200 08	7.9
1871	5,060,013 74	4,068,427 63	991,586 11	19.5	166,019 93	4.2
1872	4,471,000 00	4,333,959 94	137,040 06	3.0	265,532 31	6.5
1873	4,632,238 17	4,780,270 12	*148,031 95	3.1	446,310 18	10.2
1874	5,103,180 50	5,409,147 42	*308,966 92	6.0	628,877 30	13.1
1875	6,094,341 00	5,418,976 92	675,364 08	11.0	9,829 50	.1
1876	5,815,520 00	5,393,809 51	421,710 49	7.2	†25,167 41	.4
1877	5,340,850 00	5,029,967 06	310,882 94	5.8	†363,842 45	6.7
1878	5,537,650 00	4,945,818 35	591,831 65	10.6	†84,148 71	1.6
1879	5,303,700 00	5,067,621 64	236,078 36	4.4	121,803 29	2.4
1880	5,505,900 00	5,255,104 93	250,795 07	4.5	187,483 29	3.7
1881	5,800,655 06	5,704,409 56	96,245 50	1.6	449,304 63	8.5
1882	6,155,860 56	5,939,662 02	216,198 54	3.5	235,252 46	4.1
1883	6,631,273 70	6,490,670 78	140,602 92	2.1	551,008 76	9.2
1884	7,204,900 00	6,948,559 86	256,340 14	3.5	457,889 08	7.0
1885	7,501,400 00	7,162,179 86	339,220 14	4.5	213,620 00	3.0
Total	102,140,717 21	100,421,411 89	1,719,305 32	1.6	.....	.....
Average annual rate of increase	.....	.....	.....	.....	.....	5.5
Year ended June 30, 1886	7,829,900 00	7,290,128 49	539,771 51	6.8	127,948 63	1.7

*Excess of expenditure over appropriation. †Decrease.

TABLE E.—*Appropriations and expenditures for certain objects for the service of the Post-Office Department for the fiscal year ending June 30, 1886.*

Items.	Quarter ending September 30.	Quarter ending December 31.	Quarter ending March 31.	Quarter ending June 30.	Total for the year.		
					Appropriations.	Expenditures.	Unexpended.
OFFICE POSTMASTER-GENERAL.							
Mail depredations and post-office inspectors, and fees to United States marshals, attorneys, &c.	$45,762 68	$45,169 24	$46,318 23	$57,391 53	$200,000 00	$194,641 68	$5,358 32
Advertising	2,636 29	3,294 02	3,330 47	346 22	20,000 00	9,607 00	10,393 09
Miscellaneous items in the office of the Postmaster-General	99 75	8 71	25 75	11 25	1,500 00	145 46	1,354 54
OFFICE FIRST ASSISTANT POSTMASTER-GENERAL.							
Compensation to clerks in post-offices	1,231,427 24	1,234,433 39	1,251,080 42	1,299,361 52	5,150,000 00	5,016,302 57	133,697 43
Wrapping-paper	5,321 44	11,000 05	5,945 00	6,649 51	35,000 00	28,916 00	6,084 00
Twine	21,223 75	11,590 60	20,330 00	16,487 65	85,000 00	69,632 00	15,368 00
Marking and rating stamps	3,409 00	4,848 48	3,726 89	591 63	20,000 00	12,576 00	7,424 00
Letter-balances, test-weights, and scales	.....	1,172 50	.....	129 50	20,000 00	1,302 00	18,698 00
Rent, light, and fuel for post-offices	106,941 29	116,844 42	122,441 76	135,507 12	495,000 00	481,734 59	13,265 41
Office furniture	2,473 41	5,249 64	1,336 21	6,551 96	30,000 00	15,611 22	14,388 78
Stationery	12,073 00	9,454 83	9,660 53	9,850 72	65,000 00	41,039 08	23,960 92
Miscellaneous and incidental items	14,135 01	13,429 11	12,150 57	9,135 89	80,000 00	48,850 58	31,149 42
OFFICE SECOND ASSISTANT POSTMASTER-GENERAL.							
Mail locks and keys	90 00	1,915 80	9,110 00	8,880 00	20,000 00	19,995 80	4 20
Mail-bags and mail-bag catchers	41,608 06	27,016 06	76,507 11	123,868 77	275,000 00	269,000 00	6,000 00
Miscellaneous items	50 00	441 75	87 65	40 25	*1,000 00	619 65	380 35
OFFICE THIRD ASSISTANT POSTMASTER-GENERAL.							
Postage-stamps	24,230 42	28,545 37	30,920 54	31,272 76	174,000 00	114,969 09	59,030 91
Postage-stamp agency	1,768 05	1,830 00	1,374 17	1,864 78	8,100 00	6,837 00	1,263 00
Stamped envelopes and newspaper wrappers	160,652 50	180,711 87	177,059 12	174,011 55	745,000 00	692,435 04	52,564 96
Stamped-envelope agency	3,880 64	3,857 03	3,890 00	3,730 92	16,000 00	15,358 59	641 41
Postal cards	20,307 39	59,819 75	42,272 32	46,426 60	239,000 00	168,826 06	70,173 94
Postal-card agency	1,741 59	1,675 00	1,692 31	1,900 00	7,300 00	7,008 90	291 10
Registered-package envelopes, locks and seals, and post-office and dead-letter envelopes	15,958 66	16,427 08	22,716 19	17,264 28	140,000 00	72,366 21	67,633 79
Engraving, printing, and binding drafts and warrants	117 50	888 75	258 50	720 00	2,000 00	1,984 75	15 25
Miscellaneous items	139 39	.....	148 04	81 79	1,000 00	369 22	630 78
Total	1,716,047 06	1,779,623 45	1,842,381 78	1,952,076 20	7,829,900 00	7,290,128 49	*539,771 51

*Or 6.8 per cent.

TABLE No. 1.—*Statement of changes effected in annual rate of cost of star, steamboat, and mail-messenger service by orders from April 1, 1885, to June 30, 1886.*

Months.	Star.		Steamboat.		Mail messenger.	
	Increase.	Decrease.	Increase.	Decrease.	Increase.	Decrease.
1885:						
April		$9,945			$4,281	
May		6,244		$21,847		$1,841
June						29,452
July		75,564		40,514	3,468	
August		50,153		1,975		3,053
September		5,725	$80			3,526
October		2,287		3,860		3,126
November		56,674		11,699	1,005	
December		112,749		14,422		638
1886:						
January		16,889				2,109
February	$165			7,244		1,574
March	10,636		1,000			157
April	3,312			28,211		1,759
May	6,172		1,469			3,220
June		743		2,283		3,885
Total	20,285	336,973	2,549	142,055	8,749	54,340
Less increase		20,285		2,549		8,749
Net decrease		316,688		139,506		45,591
Total decrease in annual rate of cost						501,785

POST-OFFICE DEPARTMENT,
OFFICE OF SECOND ASSISTANT POSTMASTER-GENERAL,
Washington, D. C., July 24, 1886.

TABLE No. 2—*Statement showing annual rate of cost of star, steamboat, and mail-messenger service on the 31st day of March, 1885, the principal changes therein since, and the occasion thereof, and the total annual cost on the 30th day of June, 1866.*

	Star.	Steamboat.	Mail messenger.
Cost of service March 31, 1885	$5,430,993	$594,849	$876,776
Net decrease in this rate effected in April, May, and June, 1885, as per table of details No. 1	16,189	31,847	27,012
Annual rate of cost, June 30, 1885	5,414,804	563,002	
Increase in annual rate of cost taking effect July 1, 1885, under contracts which had been let previous to March 4, 1885 (under general and miscellaneous advertisements of September 15, 1884, and February 2, 1885), for new and additional service to begin July 1, 1885	238,856		
Decrease in steamboat-service cost by new contracts which had been made previous to March 4, 1885, upon routes already existing		8,924	
Gives annual rate of cost July, 1885	5,653,660	554,078	
Net decrease effected between July 1, 1885, and June 30, 1886, as per table No. 1	300,499	107,659	18,579
Leaves annual rate of cost on June 30, 1886	5,353,161	446,419	831,185

TABLE No. 4.—*Showing decrease in annual rate of cost of star and steamboat service in the States of Arkansas, Louisiana, Texas, Kansas, Nebraska, Colorado, Oregon, Nevada, and California; the Indian Territory, and the Territories of Dakota, Montana, Wyoming, New Mexico, Arizona, Utah, Idaho, Washington, and Alaska, to take effect from July 1, 1886, by reason of new contracts made under advertisements of September 15, 1885, January 6, 1886, and February 1, 1886, as compared with service as existing under former contracts terminated June 30, 1886:*

	Star.	Steamboat.
Annual rate of cost of star and steamboat service in above States and Territories on June 30, 1886	$2,183,442 00	$223,298 00
Annual rate of cost of same July 1, 1886	1,945,266 90	172,374 56
Decrease	238,175 10	50,923 44
	50,923 44	
Total decrease in annual rate of cost	289,098 54	

TABLE No. 3.—*Statement of reductions in cost of railroad transportation, not attributable to reweighings, and in the cost of railway postal-car service discontinued from April 1, 1885, to June 30, 1886.*

Transportation:		
Unnecessary service curtailed and discontinued, &c.	$12,950 48	
Deductions made on certain land-grant railroads, not heretofore deducted or treated as land-grant, as required by the thirteenth section of the act of July 12, 1876, and covering the period from July 1, 1876, to June 30, 1886	68,905 28	
Total		$81,855 76
Railway post-office cars:		
Pay heretofore allowed for apartment-car service discontinued, because adjudged that such payments were not warranted by law	$80,161 73	
Regular railway post-office car service discontinued because not necessary	10,500 50	
Total		$90,662 23
Grand total		172,517 99

The principal and most interesting facts shown by this exhibit may be summed up as follows:

In the matter of supplies for the postal service, consisting of postage-stamps, postal cards, envelopes, mail bags and catchers, wrapping-paper, twine, marking-stamps, and stationery, the actual saving in the purchases for the fiscal year ended June 30, 1886, over the cost of like articles at the rates at which they were purchased under contracts for the previous year is $174,222.52—a percentage of 19.7 +. On some of the articles the saving is especially conspicuous, being 43.34 per cent. on official envelopes and 39 per cent. on wrapping-paper for the railway-mail service. Some portion of this saving has been due to keener competition, but most of it to the employment of new methods in securing the articles.

The Department has made during the year new contracts for supplies for a period of four years, and has secured very decided advantages by the plan pursued. The table exhibiting results shows a rate of diminished cost which will yield a net saving in four years upon the amounts purchased under these contracts and estimated to be necessary of $1,346,858.08, or at the rate of 19.9 per cent. advantage over the contracts in force during the preceding year.

The housekeeping of the Department, or the expenses of running the Department itself as distinguished from the postal service, also shows advantageous results. In the matter of salaries there has been no special change. But with all the very great increase of work necessarily arising from the change of administration it may be noted that there is a balance of $17,444.50 remaining unexpended out of the appropriation for salaries which was deemed necessary for the year, and which appropriation was estimated for by the preceding administration. The balance at the end of the previous fiscal year remaining unexpended was $6,212.38. This result is more gratifying because the Department work was largely increased by the appointments necessary.

But in every other item of expense for the maintenance of the Department the results are very marked in favor of the last year. The appropriations were the same in almost every particular, with the addition of rent, fuel, light, and other items for the new building, which by the act of March 3, 1885, was directed to be rented, and the provision for foreign postage and free penalty envelopes. There remains an unexpended balance of these other items at the end of the fiscal year of $49,015.09, being a percentage upon the whole appropriation of 35.3 per cent. as contrasted with the unexpended balance at the end of the previous year of but $9,530.90, or 7.45 per cent.

There is also a complete tabular exhibit of the figures of the appropriations, expenses, and unexpended balances of appropriations in all those items set apart for the postal service which are under the control of the Department and not regulated by law, except those for the transportation of the mails, the figures of which can not yet be obtained, as it requires something over three months after the end of the year for the Auditor to make up his accounts of the latter class of expenditures. This exposition furnishes an interesting study. The sum of the contrast between this last year and the twenty years preceding is, however, that the average annual balance of unexpended appropriations of this character during the preceding twenty was 1.6 per cent., while during the last year it has been 6.8 per cent. And the average annual increase of expenditures in successive years of the last twenty years over the preceding year has been 5.5 per cent., while the per cent. of increase in the last year was but 1.7 per cent.

The larger saving in amount has been effected in the matter of the transportation of the mails, where, indeed, the greater expenditures of the service are incurred. This branch has been subjected to constant scrutiny with a view to improvement and economy. The result appears in the fact that the rate of cost for the star, steamboat, and mail-messenger service together has been reduced about $500,000 since the change of administration, over and above what that cost stood, and was contracted to be, at the time the administration begun. At the same time new service and additional service have been provided where necessary.

Further savings have been effected by the observance of the law in respect to railway postal cars and by careful application of the law to land-grant railroads, as well as in some other important particulars. It is, however, true that the cost of the transportation of the mails upon the railroads is regulated so largely by law that very little is left for departmental control.

It is interesting to note also that by reason of contracts made only in one contract section of the country, that west of the Mississippi, as shown by table 4, a reduction in the rate of cost, which becomes operative in the current fiscal year, has been effected amounting to over $289,000.

I am able also to make the gratifying statement, derived from an examination of the reports of the Auditor of the Treasury for the Post-Office Department for the first three-quarters of the fiscal year ended June 30, 1886, that the expectation which last year seemed inevitable, that the deficiency in the revenues of the Post-Office Department would be $9,000,000, has been agreeably disappointed. The estimates which were made for the appropriations for the past year, necessarily made upon somewhat insufficient data for accurate statement, submitted the probable expenditures for the year ending June 30, 1886, to be about $56,000,000. Notwithstanding this estimate was corrected by the nearer view of last year in the Department's report, it was still left as high as fifty-three millions, while the revenue could only be estimated at about forty-four millions. The Auditor's reports leave it now reasonably certain that the expenditures will fall below fifty-one millions, while the revenues will hold up to the amount estimated, and the deficiency for the fiscal year, it is confidently expected when the full returns are in, must fall below $7,000,000, a less sum than the deficiency of last year, instead of a greater as was feared.

It is a fair commentary to add in approval of this work of economy and retrenchment that the Post-Office Department has always been looked upon, and deservedly, as one of the best business Departments of the Government, and as one of the most economical in expenditures for the results obtained. With the exception of the star-route scandal of some years ago the Post-Office Department has always been free of suspicion in respect to general honesty and economy with which public moneys were spent through its agency.

Whatever has been done, it must also be borne in mind, has been accomplished in the midst of a very great pressure for change in offices, imposing immense additional labors upon the officers and clerks of the Department.

These results make no account, either, of the saving effected by the resistance of the Department to the granting of unnecessary subsidies for the carrying of the mails by sea.

A careful study of the conduct of this administration in postal matters discloses a marvelous apprehension of its details from the greatest to the smallest, and a fertility of thought abundant in suggestion of corrective measures for defects in the service, supplemented by the readiest and aptest practical execution thereof. A clear purpose to serve the best interests of the country has always manifested itself, and you will look in vain through the past for any conduct of its postal affairs which shall surpass the present. You will but find in it all that could be expected from the highest ability, the most undaunted courage, and the profoundest patriotism.

Money.

REMARKS

OF

HON. JOHN P. JONES,

OF NEVADA,

IN THE SENATE OF THE UNITED STATES,

Thursday, July 29, 1886.

The question before the Senate being the Morrison joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt—

Mr. JONES, of Nevada, said:

Mr. PRESIDENT: Whatever may be asserted in regard to money and its value, every writer of repute on the subject admits that the value of each dollar depends on the number of dollars that are out.

Mr. TELLER. That, I believe, is denied by some of the modern theorists.

Mr. JONES, of Nevada. That may be so, but the conclusions of such theorists are not sustained in the writings of any political economist who has enjoyed any solid and permanent reputation.

The fundamental principle of money is that the value of each unit of money in any country depends absolutely on the number of units of money in circulation in that country, and is not in any manner influenced by the character of the material upon which the money function may be stamped, whether it be gold or silver or iron or anything else. From the time of John Locke the reasoning of all the political economists and philosophers has clearly led up to this rule, whatever their conclusions may have been.

A consideration of the manner in which the value of the dollar—which is the unit of money in this country—is fixed will demonstrate that this position is impregnable. It is universally admitted that all values are regulated by the play against each other of the forces of supply and demand. No reason has ever been or can be given why the regulation of the value of money is not subject to this law. However much variation may arise in the demand for other things, the demand for money is constant, instant, and unchanging. It is equal to the sum of the demands for all other things. All the products of hand and brain are constantly offered in exchange for money, because while any other thing has but limited command over the objects of human desire, the command of money over those objects is unlimited.

The value of each unit of money is fixed by the universal competition to get it, and finds its expression in the general range of prices. Every shoemaker in a given locality is in competition with every other shoemaker in that locality—offering shoes for units of money—and the shoemaker who offers the most and the best shoes for the smallest number of those units fixes the market value of the money unit, or dollar, in shoes. So it is with the hatter and the tailor and the farmer and the iron manufacturer with their respective products, and so it is throughout the entire range of human industries. This competition, in the aggregate, constitutes the demand for money; the number of units of money in circulation constitutes the supply.

The need of money is felt by all. The force of the demand for it is measured by the sacrifice in property and labor offered in exchange for it. Price is the equilibrium between the forces of supply and demand, and is the sole and only expression of the value of money. For example, suppose the circulation of this country at the present time is a thousand million dollars, and the population 60,000,000. Now, if the population—which represents the productive forces of the country—should be increased by any percentage, without, at the same time, a corresponding increase in the money circulation, an addition would have been made to the demand for money, and none to the supply. The equilibrium would therefore be destroyed, and, according to the rule I have laid down, the value of money, under these conditions, must rise and the price of property must decline.

So, on the other hand, if the number of units of money should be increased by any percentage, without a corresponding increase in the population, the result would be a fall in the value of each unit of money, and a rise in the price of property. A shrinking volume of money, relatively to population, destroys, save under exceptional circumstances, all hope of profit in productive enterprises, and, like a poisonous drug, renders sluggish, or dries up, the circulation in the veins of commerce and industry, for the very plain reason that as long as the shrinkage of the volume of money continues, except when spasmodic and short-lived reactions occur, the general range of prices must continue to fall, and the value of money must continue to rise. At such times the plainest business instincts dictate that the purchase of property should be avoided, and the hoarding of money must increase. These are the conditions which are hanging like a pall over the business and industries of the country to-day, and account for the immense amount of idle surplus lying in the banks all over the United States.

It is plain that under these conditions it would take more wares of every description—more of the shoes of the shoemaker, more of the wheat of the farmer, and more of the iron of the iron manufacturer; in fine, more of the products of labor in every department of industry—to get a dollar than it did before.

Under these conditions, Mr. President, suppose you and I had each a million dollars in cash. What would we be likely to do with it? Our intuitions would restrain us from investing in property, whose price was declining. On the contrary, every incentive would exist to induce us either to put it in some place where it would be securely kept until bottom prices were reached, or to invest it in bonds well secured, even at the lowest rate of interest, as we should be recompensed for the lowness of the rate by the increased value that money would bear at the maturity of the bond.

The same course of reasoning which would dissuade us from investing money in property while the volume of money was shrinking and prices declining, would deter bankers from lending and men of enterprise from borrowing it for that purpose, as there would be neither security for the lender nor profit for the borrower.

Under these conditions, which actually exist, the money of the country becomes every day more aggregated and congested in the great centers. At such centers money exists in overabundance, while at the same time it is growing constantly scarcer for the general business of the country, and the prevailing belief is that the shrinkage in the volume of money will continue, and that the tendency of prices must still be downward. I am aware that the bankers, brokers, and business men of the East affect to believe that the danger to the country is that of a depreciation in the value of money and a rise in prices—which are the same thing—and that we are on the brink of what they call a silver "vortex"—a silver "abyss"—into which we are liable at any moment to be plunged. This is what they affect to believe, but acts speak louder than words. The conduct of their business proves that their real belief is just the reverse. If they really believed what they loudly proclaim, that we are rapidly approaching a silver basis, and that our dollars will then be worth only 80 cents, they would conclude that property was on the point of rising in price, and they would make haste to invest in it.

But, instead of buying property, they are every day more and more determined not to touch it, and they so eagerly bid against each other in buying bonds and all classes of money-futures, that it is not property but money-futures that are steadily rising in price. Bonds can not be scaled either up or down; they call for a fixed number of dollars. Nobody will be eager to buy them who believes that dollars are

liable to depreciate in value; and when we see the shrewd bankers of the country determined to buy bonds—national, State, municipal, and railway bonds—and nothing else, we have sure proof that in their opinion money is tending to an increase in value.

The bankers of New York and the Secretary of the Treasury agreed, only a year ago, that we were on the brink of the silver "vortex," and that this Government, notwithstanding the large excess of its exports over its imports, notwithstanding its immense revenues, its unrivaled credit, and its exhaustless resources, stood a helpless, trembling, pitiful wreck, imploring the banks to loan it $6,000,000 in gold in exchange for a like sum in subsidiary coin which it still had left. We are told that the banks, inspired by benevolence and patriotism, came forward and saved us from being precipitated upon a silver standard depreciated 20 per cent. Verily, we should all be grateful!

It is instructive to note how these bankers and their customers acted while passing through what they and the Secretary of the Treasury declared to be a "great crisis," and how they acted afterward. It would be natural to suppose that they would have availed themselves of the few months' respite from a great "calamity" (a respite procured by swapping six millions of one kind of money for six millions of another kind) to unload their bonds and money-futures generally, which according to their view were soon to be liquidated in money 20 per cent. depreciated, and to make investments in property, which was sure to advance correspondingly, for it must always be borne in mind that "depreciation of money" and "advancing prices" are interconvertible terms.

To say that money has depreciated in value is only another mode of saying that the prices of property have advanced, and *vice versa*. It is an absurdity to suppose that money can depreciate relatively to property without a simultaneous appreciation of property relatively to money. If money measures property, so, equally, property measures money. The value of money is measured by property and labor, and they are the only measures it can have. "Rising prices" and "depreciating money" are therefore synonymous terms; to say the one thing is to say the other.

Surprising as it may seem, however, the preference of the bankers and their customers for bonds throughout the "crisis" and afterward was more manifest than ever.

Bonds and money-futures continued to advance in price, while property continued to decline. These things could not possibly have happened if the pretended apprehension of a depreciated silver standard had been real. They did happen because this apprehension was not real—because it was nothing but the prelude to an attempt on the part of the bondholding classes to frighten Congress into the passage of a law stopping the coinage of silver. If men had feared the approach of a depreciated silver basis, they would, without hesitation, have withdrawn their money from bonds and invested it in property. The "crisis" business seems to be the "harp of a thousand strings." We have heard it ever since silver was remonetized in 1878, and it is not improbable that we shall hear it again just before the meeting of the next Congress. It is possible that the first note may be sounded by the bankers' convention shortly to meet.

The business of the Western world is based on gold and silver, and it is plain that the arts—such as dentistry, gold and silver plate, jewelry, and articles of adornment generally—are reducing the money of the world by encroaching upon the quantity of those metals. This must create a continuing shrinkage in the volume of money, which, as I have shown, discourages investment in property, and discourages also the employment of the labor that produces property. Who cares to build a factory when he is quite sure that the necessary buildings and plant can be obtained for less money twelve months hence than they can be now? Laborers are remitted to idleness; business is conducted without profit; the burden of debt and of taxes is increased; stagnation everywhere prevails.

I maintain that the money standard of a country, to be just and honest, must bear a steady numerical relation to the population of the country. It is not necessary that the "standard" should be made of gold or of silver or of any other particular material, although gold and silver are admittedly the best media for barter money. It is only important that whatever may be the number of units in circulation in any country, they shall bear an unchanging relation to the numbers of the population; in other words, that a given number of units having been adjusted to the population, they shall only increase or decrease according to the increase or the diminution of that population. Nor is it of consequence how many units of money you start with in the country before any relation of debtor and creditor has been established. Were there no time contracts, a change in the volume or value of money would have but little significance.

But when time contracts for the delivery of money have been adjusted on the basis of an existing number of money units, the equities of the contracts can only be maintained by maintaining that number of units, if the population remains stationary, and by increasing or decreasing the number of units in proportion to the increase or decrease of the population. It will be admitted without question as being generally true, that if the population is increased 5 per cent. there will be required 5 per cent. more wheat, 5 per cent. more shoes, 5 per cent. more houses, 5 per cent more of everything that enters into consumption and use; and why not 5 per cent. more money, as it is through a demand first made upon money that all these things must be obtained? If the volume of money remains stationary, the increased business can only be done through the medium of lower prices, as the same number of dollars must serve all the demands of the larger community that in the first instance were only sufficient to serve the demands of the smaller, and, to the extent of the fall in prices the equities between debtor and creditor would be violated.

It is no wonder that we have had strikes among workmen. The debts of the world amount in round numbers to $70,000,000,000; the annual interest to more than $3,000,000,000. It is admitted that the purchasing power of money has increased fully 20 per cent. in the last fifteen years, which gives an unearned increment to the fund holders of the world of $14,000,000,000, besides a corresponding increase in the current interest, all of which must be exacted from the current earnings of labor. This increase in the value of money is portentous for the future, and has been brought about by a shrinkage in the volume of money, occasioned partly by the diminishing supply of gold from the mines and partly by the demonetization of silver.

The full measure of debts is the money price of the products of human labor. This fact reveals the real motive of the conspirators who, for the last twenty years, have persistently endeavored to demonetize silver and paper money, and who have strenuously resisted every proposition that looked toward maintaining the volume of money or increasing it *pari passu* with the increasing demand for it. The strikes of the workmen should be directed not against the railroad companies, but against the bondholders, the annuitants, and the income classes of the world, who, mainly by the demonetization of silver, have thus been enabled enormously to increase their own wealth at the expense of the producers of the world. The income classes struck fifteen years ago for increased incomes. Is it any wonder that the laborers now strike for increased wages to meet this unjust demand—this villainous change in the contract after the contract was made?

Mr. HOAR. I should like to ask the Senator if he thinks the weight of the debt is not diminished by the reduction of the rate of interest from 10 or 12 per cent. to 3?

Mr. JONES, of Nevada. When the rate of interest falls, as a consequence of a decline in prices and of depression in business, and because there are few borrowers and many lenders, although the lender makes an apparent loss by receiving less interest, he is recouped by the increased value of the money in which the loan is paid; and the borrower receives no advantage from obtaining his loan at a less rate. Indeed, with a continued shrinkage in the volume and an increase in the value of money, the borrower is fortunate if he escapes with his capital unimpaired; for, whatever rate of interest he pays, the tendency at such times is to lower rates, of which his keen competitor takes advantage.

In all periods of the history of the world, when the volume of money has been increasing and the price of property going up borrowers have found it easier to pay high rates of interest than to pay much lower rates when the price of property was declining.

With a proper volume of money, the rates of interest express approximately the average profit that can be made upon the use of capital well directed, and borrowers, especially in comparatively new and undeveloped countries, like our own, ought to be able to pay more than double the current rates for the use of money, and with profit to themselves.

But there has been no such fall in the rate of interest to borrowers upon lands and productive enterprises as the Senator from Massachusetts seems to suppose. Three per cent. upon current loans is, as a general fact, merely a rate among bankers, upon undoubted collateral and on call. The average rate throughout the country is to-day more than twice that.

Mr. HOAR. My honorable friend thinks that the weight of a debt is not decreased by reducing the rate of interest from 10 per cent. to 3.

Mr. JONES, of Nevada. Of what advantage is it to the borrower to get money at 3 per cent. instead of 10 if the value of the money in which the debt must be paid increases by more than the difference between the 3 per cent. and the 10? Upon the great mass of the debts of the world, however, there has been no such reduction of interest as is implied in the suggestion of the Senator from Massachusetts [Mr. HOAR]. Upon but few of the national debts of the world has there been any reduction of interest whatever. Neither has there been any reduction in the rate of interest on the great mass of railroad bonds, most of which were placed originally on very long terms. There has been no reduction in the rate of interest on the debt of England within twenty years, excepting on a fraction of it, not exceeding one-seventieth.

Within the same period there has been no reduction in the rate of interest on the French debt, nor on the Egyptian debt, nor on the debt of India, nor on that of many countries which I could name. The interest on the greater portion of our bonded debt can not be reduced for twenty-one years to come. Substantially all the reduction that has been obtained in the rate of interest has been in the case of current loans, in respect of which, as a consequence of the utter stagnation of business, the borrower finds it as hard to pay the present rates of interest as it

was a few years ago to pay the higher rates. The amount of sweat and toil that it takes to earn a gold dollar to-day is considerably more than was required some years ago. On capital now borrowed and employed in productive enterprises less interest is exacted, but it also earns less than before.

Low and lowering rates of interest, instead of indicating increased credit or prosperity, are the sure gauge and measure of increasing prostration. It is a moderate estimate that, on account of the universal depression that prevails, a million of men in this country who are willing to work are remitted to idleness at an annual loss to the country of $312,000,000, even if their wages be rated at only $1 per day. This sum so lost through the baneful influence of a dishonest system of money is equivalent to 6 per cent. interest on $5,200,000,000. Many more calculations of a similar character might be made which would demonstrate beyond cavil that the financial system under which a reduction in the rates of interest has been brought about has entailed an enormous loss upon the country.

Mr. ALDRICH. Will it interrupt the Senator if I ask him a question?

Mr. JONES, of Nevada. Not in the least.

Mr. ALDRICH. The Senator has depicted in very eloquent terms the troubles and sufferings which follow a shrinking volume of money. Now, I want to ask him to explain what will be the effect on the volume of money of the Morrison resolution under existing law?

Mr. JONES, of Nevada. I did not rise to deliver a set speech, and interruptions, therefore, cause me no inconvenience.

It is quite probable that the country is now placed between the horns of a dilemma. This has been brought about by what I regard as two fundamental errors which are at the basis of our banking system. One of those errors is the idea that the money of a country should be based upon its debt, and the other is that private banking institutions should be permitted to increase or decrease the volume of money, and consequently its value, at the dictation of their own interests or caprices.

The regulation of the volume and value of money is one of the highest functions of sovereignty and should under no circumstances be surrendered; and no country should be subjected to the penalty of paying a large yearly interest on debt in order that it may have a sufficient quantity of money to exchange the products of labor and maintain the equity between debtor and creditor. The trouble now seems to be that the surplus revenues of the country are increasing in the national Treasury, thus rapidly diminishing the volume of money in circulation and threatening serious financial disaster unless the money be soon restored to the channels of circulation. Unfortunately under our present laws there is no legitimate means by which this can be done except by redeeming the 3 per cent. bonds, which are now subject to call, amounting to about $140,000,000.

The present system must end in disaster unless Congress is wise enough to provide in some proper manner for the issue of a quantity of money at least equal to the amount of bank notes retired.

The Senator from Ohio [Mr. SHERMAN] maintained that the pending resolution, if adopted, instead of increasing would diminish the volume of money, entailing all the disasters incident to contraction. I admit that the volume of money in the country would be decreased to the extent to which bank notes were retired, but I deny that the volume of money in actual circulation would be decreased by the passage of the pending resolution. On the contrary, the passage of the resolution would considerably increase the volume of money in circulation. The gold and silver held in reserve and locked up in the Treasury might as well be still in the adamantine rock from which they were extracted so far as their influence upon business or prices is concerned. And this is equally true of all paper money permanently held in the Treasury for that or any other purpose.

The Treasury statement made yesterday (July 28) shows that the national banks then held as a basis of circulation $106,000,000 of the $140,000,000 of 3 per cent. bonds still bearing interest. One hundred and thirty-two million dollars of the total $140,000,000 have not been called; and calls maturing on August 1 and September 1 have been made for $8,000,000. Of the $106,000,000 held by the banks there are $22,000,000 (accurately $21,996,700) which when called must be replaced by other bonds in order that the amount of bonds held by the banks concerned may not fall below the mimimum fixed by law. It is, therefore, correctly assumed at the Treasury that the $22,000,000 of threes will be replaced by fours, four-and-a-halfs, and currency sixes.

The banks have now on deposit as security for circulation $106,000,000 in threes, but $22,000,000 of those will be replaced by other bonds; so that when the whole $140,000,000 are called the bank deposit of bonds will be reduced $84,000,000, on which the banks have a circulation of 90 per cent., or $75,600,000. To that extent there will undoubtedly be a contraction of the currency in existence; but it is clear that the operation as a whole adds $64,400,000 to the currency which is or can be in actual circulation under present modes of Treasury administration.

In paying off $140,000,000 of the 3 per cent. bonds the Treasury disgorges to the outside public $64,400,000 in cash, and transfers, inside of the Treasury, $75,600,000 to the account of banks reducing or retiring circulation. This transfer of money to a different account constitutes the whole of the so-called contraction of currency with which it is attempted to terrify Congress and the country. This operation does not, either first or last, reduce by a single dollar the volume of money which the people are now using, or can get an opportunity to use, or which exerts any influence whatever on prices.

On the contrary it increases the effective circulation by $64,400,000, although it reduces the non-effective portion of the money in existence by $75,600,000. The responsibility for the reduction of the volume of money consequent upon the debt-paying policy which the country approves, and which is one of the brightest glories of the Republic, does not in any degree rest with me, nor with those with whom I agree and act upon currency questions. This result of paying the debt was long foreseen and should have been provided for. Two years ago, when the bill relating to banks, known as the McPherson bill, was pending in this Chamber, I was one of fourteen Senators who contended and voted in vain for a provision that as fast and as far as the national-bank issues were withdrawn their place should be supplied by greenbacks. I will vote again on any bill and on any day for that provision, and the responsibility for the failure to obtain that most just and wise amendment to existing law will always rest, as it rests now, mainly upon the party which favors the gold standard, which favors the retirement of the greenback, and which opposes the continued coinage of silver; and for all the evils which follow contraction the country will hold them and them alone responsible.

Mr. ALDRICH. The practical operation is just this, according to my notion. One hundred and thirty-six million dollars of 3 per cent. bonds are outstanding, of which $106,000,000 are held by national banks as security for circulation. These bonds are called. It becomes the duty of the banks at once, or at the expiration of the call, to deposit legal-tender notes in the Treasury of the United States to the full extent of the circulation.

Mr. JONES, of Nevada. I have just stated that.

Mr. ALDRICH. And that of course is a reduction of the circulation and a reduction of the currency to that extent.

Mr. JONES, of Nevada. But at the same time the $140,000,000 paid by the Treasury for the bonds are put into circulation, which is an expansion of the effective currency to that extent. A bank with $100,000 of bonds, giving it $90,000 in circulation, being forced to retire its circulation under the operation of this Morrison resolution, deposits $90,000 of money with the Treasurer to redeem its issues. That is a contraction to the amount of $90,000. But, on the other hand, the Treasury pays $100,000 out for the bonds, and puts in circulation $100,000 now held fast in the Treasury and not in circulation; so that, taking the whole operation together, there is an expansion of the effective circulation to the amount of $10,000.

Mr. CHACE. You are not through yet. What becomes of the bank circulation?

Mr. JONES, of Nevada. The bank currency, of course, is still in circulation, and whenever any portion of it finds its way into the Treasury an equal amount of the money specially deposited for its redemption goes out. I will add here that there is a small additional expansion of the circulation from the surrender to the banks of 5 per cent. which they are required to keep on deposit in the Treasury for the redemption of their issues.

Mr. ALDRICH. Let me follow that one step further. The amount of legal-tender notes is restricted by law to $346,000,000. A bank brings its bonds to the amount of $100,000 to the Treasury and receives $100,000 in legal-tender notes. Of course that is not an increase in the circulation of the country. If that bank brings its bonds to the Treasury and receives in pay for them $100,000 in legal-tender notes there is no increase of currency by that operation. The bank takes $90,000 of that money and deposits it in the Treasury for the outstanding circulation. There is no increase of circulation in that operation. When these national-bank notes come in they are redeemed by the Treasury Department and destroyed under the provisions of law. There is a contraction of $90,000. That is the proposition I make that I should like the Senator to answer.

Mr. JONES, of Nevada. That is one of the evil and inevitable consequences of building a superstructure of currency upon a basis of debt. It was "bad begun, and worse remains behind." The national banking system was a temporary expedient, adopted to meet a great emergency and as a sort of auxiliary to the greenbacks. An equal issue of greenbacks would have served fully as well, and at a much less expense to the country, for with the issue of greenbacks the interest-bearing debt on which the bank notes were based could have been retired, which by this time would have proved a saving to the country of several hundred millions of dollars.

Mr. ALDRICH. It is a question of fact between the Senator and myself.

Mr. JONES, of Nevada. I have stated, and I repeat, that in the case of a national bank surrendering $90,000 of its circulation and receiving $100,000 for its bonds, there is $10,000 added to the effective circulation of the country. The idle hoard in the Treasury may be dimin-

ished, and might as well be diminished if the avowed policy of the Treasury Department is to be continued, and especially if that policy is to be indorsed by the defeat of the Morrison resolution.

Mr. ALDRICH. We were talking about the volume of money, whether in banks or in the Treasury or anywhere else.

Mr. JONES, of Nevada. That is what the Senator from Rhode Island has been talking about; but I have carefully drawn the distinction between money in circulation, performing its legitimate function, and money permanently locked up in vaults and performing no useful function whatever.

The Senator from Rhode Island [Mr. ALDRICH] seems to be opposed to paying off any of the debt, for the reason that a contraction of the national-bank notes would be the result. He sees that the banking system is approaching its doom, and in order to prolong its existence even for a short period the Senator is willing that the people of this country shall continue to pay interest on matured bonds while vast sums lie idle in the Treasury with which they might be extinguished.

Mr. GEORGE. I wish to call the attention of the Senator from Nevada [Mr. JONES] to this question. I see the evils which he has depicted in such eloquent language of the locking up of these large sums by the banks. I ask him if he has any feasible plan by which he can force the banks who hold this money hoarded up to put it in circulation. I put that question a while ago to the Senator from Colorado [Mr. TELLER], and he answered me very promptly that he had no such plan. The Senator from Nevada [Mr. JONES] then said that he would answer that question. I should like to call the Senator's attention to that and ask him for an answer.

Mr. JONES, of Nevada. The question of the Senator can not be answered in a single sentence. That we may be sure of the proper remedy it is first necessary to diagnose the complaint; after which I will attempt to indicate the policy through which the idle hoards in the banks will be speedily absorbed into the circulation.

Mr. GEORGE. That is what I want to hear.

Mr. JONES, of Nevada. Money is, or should be, the instrument of commerce and not its object. Its use throughout the whole range of human industries should command a fair rate of interest with profit to both borrower and lender. Every instinct of thrift impels the owner of money to invest it in property or industrial enterprises, or to loan it to others for that purpose when it can be done with security; and he would thus loan it or use it and put it in circulation, if he could do so safely, even with small profits, but it is now piled up in idle hoards because bitter experience has taught that there is but small hope of profit in investments. The reason is plain. Whatever is becoming scarcer, relatively to the demand for it, is growing dearer. This rule applies to money as well as to anything else; and at the present time money is growing scarcer and consequently dearer, while the productive forces are enlarging, and the products of labor, measured by the shrinking medium, are growing cheaper and cheaper. The same instincts which impel the active use of capital and credit when prices are rising, impel the hoarding of money when prices are falling.

The complaint of falling prices and of the absence of profit in business comes to us from every country in the western world. The disease is universal, and it is logical to assume that it proceeds from the same cause, which must also be universal; and no other cause than the one I have named has been or can be pointed out. When we compare the present period of distrust, depression, and stagnation with former periods of activity, confidence, and progression, we find all the elements of prosperity—intellectual, material, and moral—greater now than ever before. The sun is as genial and fructifying, the rains as frequently recurring, the soil as fertile, the Government more just and more stable than any ever yet founded, and the people, constantly increasing in intellectual and moral force, are as ingenious, industrious, and enterprising as they ever were.

Why, then, do not all these favorable conditions bring about good times? Every condition of prosperity is present now that has been present in periods of the greatest prosperity in the past—save only one, and that one baleful condition has attended every period of industrial and financial disaster of which we have any record. It is not a hard condition, imposed by Nature, but it is one which, in my judgment, is chargeable to our own lack of wisdom. That condition is brought about by a decrease in the volume, and a consequent increase in the value, of the units of money, involving a violation of all contracts—the subtle robbery of the debtor for the benefit of his creditor, the despoiling of labor, an increase in the burden of debt and taxes, and the withdrawal of money—that great instrument of association among men—from the performance of the beneficent functions for which it is intended.

For this evil there is but one remedy. Reverse that condition. Enact a law under which the volume of money shall keep pace with the increase of the population, for it is population, and population alone, that gives rise to a demand for money. The increase or decrease of population is the only gauge and measure for the increase or decrease of the units of money. Do this, and the idle hoards in the banks will disappear as if by magic. They will become again charged with their true functions of exchanging property and the products of industry, and of truly expressing the equity of contracts. In the presence of this great depression, caused by falling prices, and of the cloud which hangs like a pall over the business and industry of the world, to waste time in the discussion of the material out of which these units of money should be made is to fiddle while Rome is burning.

As population increases all the objects of human desire must be increased in proportion, if the equation between supply and demand is to be maintained undisturbed. Schoolmen and political economists except money from the operations of this rule; indeed the general tendency of thought is in the same direction. But a little reflection will show that the rule is more strictly and exactly applicable to money than to anything else, because the demand for all other things is first made upon money. The tastes and habits of the people may change as to particular things; even in a single year the demand for any one article may become less and the demand for some alternative article may be increased; and it is to be observed that for everything except money some more or less available substitute can be found. If beef be too high in price the alternative can be found in mutton. If wool be too high we can use silk or cotton. There is no article in this world except money for which an alternative article can not be found, but there is no alternative for money.

Indeed, the prices of other articles may rise so high as to forbid the use of, and terminate the demand for, them altogether, in which case the entire demand falls upon the alternatives; but no matter how high the value of money may rise the demand for it is as strong as ever. The people must have it. Through the warp and woof of society runs this factor—money. It is with money alone that debts and taxes can be paid and judgments satisfied. It is indispensable to civilization, and it can be obtained only through universal competition, each in his own pursuit offering his wares in competition with all others in the same pursuit in exchange for it. This is the gauge that measures the value of money and the demand for it.

I do not intend at this time to enter upon an elaborate discussion of the money question; but I know that in the near future such are the inherent defects of the present system—it must be discussed, and Congress must bring to that discussion its highest wisdom and its closest attention. Great emergencies stand before the country to-day—emergencies greater, in my judgment, than it has ever been confronted with in the past. Unless the facts of the present situation can in some way be changed nothing is to be looked for but a steadily shrinking volume and a constantly increasing value of money, which have in past times subjected mankind to more misery than has ever resulted from war or pestilence or famine.

Mr. ALDRICH. Mr. President——

The PRESIDENT *pro tempore*. The Senator from Colorado [Mr. TELLER] is entitled to the floor.

Mr. ALDRICH. If the Senator will listen to me——

Mr. JONES, of Nevada. I will get through in a few minutes.

Mr. ALDRICH. I want to say just one word in reply to what the Senator has said in regard to my opinion about the payment of the national debt. He said I was opposed to paying the debt. He is entirely wrong in making that statement. I am just as much in favor of paying the national debt as is the Senator from Nevada, but I want the Senate to understand, and I want the Senator from Nevada to admit and the Senator from Kansas to admit the necessarily legitimate consequences of paying the debt at this time and under existing laws.

But to continue the operation we were discussing. You have $100,000 in legal-tender notes and $90,000 in national-bank notes. At the end of the operation you have $100,000 of United States notes and no national-bank circulation. There is $90,000 gone. So the result of that operation is that at every call of bonds you contract the currency. And I say to the Senator from Nevada and the Senator from Kansas that they propose to destroy the national-bank circulation without furnishing anything in place of it. Without furnishing to the country any currency of any kind in place of it; they are doing the very thing that the Senator deprecates so much—diminishing the volume of money.

Mr. TELLER. I will claim the floor if every Senator is to make a speech.

The PRESIDENT *pro tempore*. The Senator from Colorado claims the floor.

Mr. TELLER. I will do so if everybody is, under the guise of asking a question, to make a speech. I do not object to the Senator from Nevada proceeding.

Mr. JONES, of Nevada. The Senator from Rhode Island [Mr. ALDRICH] assures us that he is in favor of paying the debt, but he says that the evils (which I have but too feebly portrayed), caused by contraction, will be intensified by the adoption of the resolution now under discussion. He therefore opposes it until some measures of relief are adopted, and he accuses the Senator from Colorado [Mr. TELLER] and myself of being in favor of contraction while we have proposed nothing to avert it. The plain—indeed, the only—method to prevent contraction is to increase the volume of money, not indefinitely, but proportioned to the increasing demands for it. What the people want is money, not specifically gold money, or silver money, or paper money, or any other particular kind of money. They want simply money in sufficient volume to maintain the general range of prices undisturbed—

they want a legal tender for the payment of debts, that will exchange the products of industry, and that will satisfy judgments and keep the red flag of the sheriff from the window.

The Senator from Colorado [Mr. TELLER] and myself for many years in this body have done everything in our power to provide a money to supplement the shrinkage of national-bank notes, which everybody foresaw, and the shrinkage of the supply of gold, which everybody sees, and we were at least partly instrumental by our votes and our voices in securing the passage of a law which commanded the Secretary of the Treasury in his discretion to coin each month not less than $2,000,000 nor more than $4,000,000 worth of silver. If the Secretary will exercise that discretion, and, as fast as the national-bank notes are retired, will coin silver up to the maximum which he is permitted by law to coin, no evils of contraction will be felt. We have provided ample remedy for the contraction of the circulation of bank notes by the passage of the silver law of 1878.

The Senator from Ohio [Mr. SHERMAN] has declared in this debate that the continued coinage of silver must result in the expulsion of gold from the country; but he does not specifically explain the operation, nor give the causes for its exportation.

The same predictions were as confidently made before and at the time of the passage of what is known as the Bland bill in 1878. We were then warned by the magnates in finance, the bondholders and the bankers in the great cities, and by the professional political economists all over the country, that the immediate effect of the passage of the Bland bill would be the exportation of what gold there was in the country, with a premium on it equal to the difference between $1.18 an ounce, the price of silver bullion at that time, and $1.29 an ounce, the value of the standard dollar at the legal relation of 16 of silver to 1 of gold. The financial press of Great Britain, where many of our bonds were held, echoed these notes of warning. But all the prophecies were falsified by the event. Gold not only persistently refused to leave the country, but on the contrary came to us in a constantly increasing stream and still continues to come. The zeal of these "sons of the prophets," however, has not been restrained by this failure of their predictions; and every year since then they have joined in chorus in the same doleful jeremiad, which only goes to show that the instinct of the masses of the people that demanded the passage of the bill, and saw no danger in it, was keener than the blurred vision of the prophets.

It is very difficult to make an argument against a prophecy. I will not, therefore, weary the Senate with an attempt to answer these many and various unfulfilled predictions. They will doubtless continue, and with additions, for "age can not wither nor custom stale" their "infinite variety."

There has never been a day since the passage of the Bland bill that the silver dollar coined under its provisions would not buy of labor or the products of labor as much as the gold dollar, notwithstanding the strenuous efforts of the income classes to discredit and depreciate it. And so far the silver dollar has shown no sign of attacking or driving out the gold dollar. There is no chemical repulsion between them. If gold goes out of the country it will be because it is to the real or fancied interest of its owner that it should go.

I admit that when there are two kinds of money circulating in a country, as, for instance, gold and silver in this country, both equally a legal tender, the one international and the other national, it is quite possible to coin, or print, and put in circulation so great a quantity of national money as to advance the prices of things internationally dealt in to a point beyond and higher than the gold prices of the same things in foreign countries—in which case the international money, having no greater purchasing power here than national money but possessing a higher purchasing power abroad, might be sent out more advantageously to meet foreign purchases than any other commodity. But the outflow would necessarily be slow—national and international prices under such circumstances being near an equilibrium, and, through the outflow of gold, constantly tending toward it.

It is only under these circumstances, and in no greater amount than would be sufficient to pay the balance that might be against us, that gold, our international money, could flow out. But gold could never bear a premium over silver till substantially the last dollar in gold had disappeared from our circulation. If, however, notwithstanding the rise of prices in this country, the coinage or the issuance of national money should be persisted in indefinitely, gold would continue to go, until all of it would finally disappear, and the rapidity of the outflow would depend entirely upon the amount of the excess of our imports over our exports and on the rapidity of the increase of the national currency.

There is no reason, however, to apprehend that there will be an outflow of gold from this country by reason of the coinage of silver under the Bland law, or under any other law which Congress will be likely to enact. If gold goes out it will not be because of a depreciation in the value of silver dollars, but because of a destructive rise in the value of gold. This rise is portentous of disaster, and has aroused the attention of thoughtful men everywhere. In a very able article in the May number of the Contemporary Review, by that distinguished political economist, de Laveleye—an article republished in the Bankers' Magazine, of New York—it was demonstrated beyond question that the value of gold is rising; and he pointed out with unerring accuracy that the present depression in trade throughout the civilized world is to be attributed to that fact and to that fact alone.

An able article appeared also in the January number of the Edinburgh Review, establishing the same fact and reaching the same conclusion. Frewen, Gibbs, and Grenfell (the last-named two gentlemen being ex-governors of the Bank of England), and many other distinguished publicists, both in Great Britain and on the continent, have made numerous and valuable contributions to the literature of the subject in the same general direction. I recommend their careful perusal to those who, here or elsewhere, have hitherto regarded gold as the only just standard by which to measure the equities and efforts of mankind.

Notwithstanding the coinage of nearly two hundred and fifty million of silver dollars in this country, contemptuously referred to in many quarters as depreciated and depreciating "buzzard" dollars, any one of those dollars has as much purchasing power to-day as had the first dollar that was coined.

Mr. TELLER. More.

Mr. JONES, of Nevada. It has greater purchasing power than had the first dollar that was coined. The laborer will give more sweat and toil for it, the farmer will give more wheat for it, the sugar-planter will give more sugar and the cotton-planter more cotton for it than ever before. In what other way can its value be measured? How, then, can it be called "depreciated?" An ounce of uncoined silver bullion, whose gold price is now lower than was ever before known, will buy more of any and every kind of property on sale, including human labor, than it would buy when the bullion value of the silver dollar was 3 per cent. greater than the bullion value of the gold dollar. Are not these facts, which can be verified by innumerable illustrations, to be taken as conclusive evidence that silver has not depreciated, but that the value of gold has been and is continually and destructively advancing?

If gold goes out of the country it will be because of its continuous rise in value and not on account of the coinage of silver or the depreciation of the silver dollar. Is it contended that we should continue to maintain gold as a money standard at the expense of falling prices, of the increased burden of debt and taxes, of the stagnation of all industries, of the disturbance of all contracts, and of the relegation of constantly increasing numbers of workmen to idleness? Mr. President, if gold does go out of this country by reason of a constant increase in its value I say let it go, and God speed the day when it starts. Its going will be the harbinger of more prosperous days. It will leave the country free to adopt a system of money whose volume and value will be regulated, not as the value of gold is now regulated, by the edicts of blind chance, but by the guidance of human wisdom. I am sorry to believe that there is a class in the country who through ignorance or sinister motive would rather retain their idol—gold—with shrinking prices and shriveling industries than to have it supplanted by any other kind of money with prosperity, with plenty on the tables of the laborer and with profitable employment for all. Let it go, say I, let it not stand on the order of its going, but go quickly, if the reason for its going be the continued rise in its value—and for no other reason than that can it go.

The enormous loss inflicted on this country by the increase which has taken place in the value of money since the war was tersely stated by the Senator from Kentucky [Mr. BECK] in a speech a few days ago in this Chamber. I repeat it substantially here. At the close of the civil war the national debt was about $2,800,000,000, of which we have since paid $1,000,000,000 of the principal, and as much as $2,000,000,000 in interest; and yet it will cost more sweat and toil, it will take more of the products of our labor to pay what remains due than it would have required to pay the whole debt when the war closed. This is a startling exhibit, and the only circumstance that relieves the situation is the fact that there are now 50 per cent. more tax-payers to share the burden than there were then. This is a spoliation of debtors on a vast scale, which would be more than ten times greater if the debts of States, municipalities, corporations, and individuals were embraced in this calculation. And the silver dollar is flippantly referred to as the "clipped" silver dollar. When that dollar was worth 3 per cent. more than the gold dollar, wheat was worth 30 per cent. more than it is now; and the prices of iron, cotton, sugar, and all other products of our industry were higher in the same proportion. Instead of the silver dollar being clipped, it would rather seem as if some baneful influence had been "clipping" the price of wheat and of cotton and of iron, and thus "clipping" the debt-paying and tax-paying power of our industries.

The advocates of what is called the "gold standard" maintain that gold is better fitted to perform the money function than any other thing in the world, on account of the steady intrinsic value which it is claimed to bear. It might be considered presumption in me—a rural financier—to attempt a scientific definition of economic words and phrases, but I venture the statement, without discussing it, that a more senseless, vague, and unmeaning phrase than "intrinsic value" was never used in economic discussion. MacLeod, a great financial writer, in a recent work, demonstrates that the phrase is meaningless, and Ruskin declares, in substance, that he has no patience to discuss the money question with any one who has not advanced far enough in economic studies to discard it.

Every article useful to mankind, save and except money, possesses

estimable intrinsic qualities; but there is a broad distinction between the quality and the value of an article. Quality resides in the article; value resides in the human mind. It is the mental estimation or appreciation which is placed upon desirable objects. This is value in use; and the only difference between it and value in exchange is that the article estimated shall be limited in quantity so that a sacrifice is required to obtain it. Value may differ in degree but not in kind. The estimation placed upon articles possessing useful intrinsic qualities does not differ in kind from the estimation placed upon articles whose qualities are extrinsic, as is the case with money. To be concise, and not wishing to elaborate on this important definition at this time, I should say that mental estimation, utility, and limitation of quantity of the thing estimated are all that is embraced in the definition of the words "value in exchange." The estimation placed upon money does not find its origin in the intrinsic qualities of the thing upon which the money function may be conferred, but arises solely and exclusively out of the extrinsic qualities and functions which the Government confers upon it; and the value of the unit of money, whatever may be its material, is governed absolutely and entirely by the number of units in circulation, neither changed nor affected in the slightest degree by the commodity qualities of the material upon which the stamp may be placed.

It may be urged, when gold is used as money, that the money-demand is re-enforced by the demand for the commodity for use in the various arts; and that, being thus re-enforced, its value would be more stable than if it rested on the money-demand alone. But it must be remembered that any other article than gold, endowed with the money function, would be subject, equally with gold, to the entire money demand, which would equally include the demand for gold for commodity and other uses. In other words, the entire demands of society must first fall upon money, with which to satisfy them, and it is quite evident that those demands are neither increased nor diminished by the character of the money, whether it be gold, silver, paper, or anything else. Even if it be admitted that the commodity-demand for gold assists in maintaining the value of gold when used as money, it may be instructive to examine the relative characters of these two demands.

The demands for gold as a commodity are few and unimportant. The demands for gold as money are equal to the sum of the demands for all things, as it is through money that all the objects of human desire must be obtained. And in addition to this, there is an enforced demand for it for the purpose of liquidating debt and paying taxes. The use of gold as a commodity is of but the slightest importance to mankind, and could be readily discarded without producing any save the smallest disturbance. The use of money is of transcendent importance; it could not be discarded with safety to civilization, and the demand for it in civilized life is absolutely imperative. Without it our whole industrial, political, and social systems would crumble. And yet it is claimed by the professional political economist that when gold is used as money the utterly insignificant commodity demand—the bangle and breast-pin demand—instead of the nobler, the higher, the universal money demand—is the main factor in fixing and maintaining its value. An examination of these two demands will demonstrate beyond question that the force of the commodity demand, relatively, is as insignificant as its character.

It is estimated that at the lowest calculation there are $4,000,000,000 of gold in use and demand as money in the world and that as a minimum each dollar of this sum is earned, demanded, and paid twenty times in the course of a year. This makes a total of twenty times $4,000,000,000, amounting to $80,000,000,000 annually of money demand upon the gold supply. It is estimated that the amount of gold used in the arts each year is $80,000,000, which measures the annual commodity demand. This shows that the money demand is one thousand times greater than the commodity demand. The absurdity of the claim that the demand for gold as a commodity exerts any appreciable influence upon the value of gold money is further emphasized by the fact, that the supply of gold is equal to fifty years of the annual commodity demand, and still the doctrinaires persistently declare that the value of gold used as money finds its chief support in this insignificant bangle and breast-pin demand!

Mr. President, it is easy to discern that various as are the objections urged against the passage of the pending resolution, the real objection of the majority of those who oppose it is that its passage will hasten the time when the Secretary of the Treasury may have to pay out silver dollars in liquidation of bonds which may be called; and they claim, although these bonds are by law made payable in silver dollars as well as in gold dollars, at the option of the Government, that that act would not only discredit the Government but would precipitate us upon a silver basis. The resulting disasters which they predict are bewildering in their inconsistency. In one breath it is claimed that it is impossible to force any more silver into circulation; that the Secretary of the Treasury and the other financial officers of the Government have made frantic and fruitless efforts in this direction, and have finally given up the attempt in despair. In the next breath it is said that silver has changed its mind and now threatens to gorge and choke up all the channels of circulation to the exclusion of gold. Again, it is claimed that the moment the silver basis is reached the money of the country will be worth 20 per cent. less than it is now, which will enable the debtor to defraud his creditor to that extent; and the creditors are pathetically described as consisting mainly of impoverished widows and orphans and small depositors in savings-banks!

The next disaster predicted is the loss of all our gold and a terrible contraction of the currency, which can mean nothing else than falling prices and the defrauding not of creditors, but of debtors. This destruction of debtors and laborers was referred to by President Cleveland in his famous letter to Democratic members of the House of Representatives in February, 1885, as "the saddest of all" the miseries which he felt were surely impending through contraction brought about by silver inflation! These evil consequences which it is predicted will follow the continued coinage of silver are as contradictory as they are absurd and impossible. After this, it would not be matter of surprise if the discovery were made that the box which Jupiter gave to Pandora contained nothing but silver dollars!

We are warned that it is in the power of a few New York bankers to "corner" gold by locking it up or investing it in sterling exchange. Suppose they do it; what are they going to do with the gold after they have cornered it? Nobody that I know of is obliged to have it, and so far as the public and the Government and the business interests of the country are concerned these little "Jack Horners" may sit in their "corners" and enjoy the situation to the top of their bent. They may "put in their thumbs," but I imagine they will find it difficult to extract any financial plums from the pie.

The public do not fear, and have no reason to fear, a corner in gold. During the war, and for some time afterward, it was quite possible to make a profitable corner in gold when that metal alone was receivable in payment for duties on imports; and it was cornered—by those who were willing to speculate on their country's disasters—to the disturbance of business and the embarrassment of the Government. But, happily, the silver law of 1878 is an effectual barrier against a similar operation in the future on the part of these wreckers. If gold is withdrawn and "cornered" the two hundred and thirty-six million silver dollars now in the country will serve the turn and answer all requirements equally as well; and those who make the corner will have only their labor for their pains. Indeed, under present conditions, if the gold were cornered the public would know nothing about it unless specially informed of it.

The masses of the people of this country have seen no gold for a generation. It has not been in circulation, nor performed any of the functions of money for twenty-five years. During that entire period, except on the Pacific coast, it has been substantially cornered. Again I ask, what will they do with their cornered gold? It is not needed to pay foreign balances, because they are now, and are likely to continue, largely in our favor, and there is no other country in which gold money or any other money can be used more profitably than in this. In short, as a financial operation, the corner is an arrant and foredoomed failure; and the threatened "corner," as a source of alarm, was received with universal derision, and proved equally a failure. Other and more absurd threats were widely made during the scare of a year ago. It was extensively published in the newspaper press that some insurance company, whose name I forget, threatened to withdraw its business and its assests from this county in case the silver coinage was continued. Whether this paralyzing threat has been carried into effect I am not informed. It is possible that this institution may have gone, and it is possible that many of the gold-worshipers, unable to live under this "depreciated silver standard," may conclude to go, but I am quite sure that "He who tempers the wind to the shorn lamb" will enable the country to endure it. All these puerile threats remind me somewhat of an incident which occurred in California during the civil war. One morning, meeting a gentleman of my acquaintance who was a mild sort of Union man, he told me he had fearful news from the East—bad news for our side. Thinking that he had received information of another Union defeat, I eagerly asked him what it was. He replied, "My brother Tom has joined the confederacy." [Laughter.] I said, "That is awful! There is no telling what vials of wrath Providence may have in store for us, but it is to be hoped that the country may survive the shock!"

Referring again to the fears of the Senator from Rhode Island [Mr. ALDRICH] that contraction of the currency will follow the passage of the pending resolution, I think I have shown that, although it may diminish the volume of money which is uselessly hoarded in the Treasury, it will increase the quantity in circulation, and result in an annual saving of $3,000,000 in interest. But how, upon the theories of the school to which the Senator from Rhode Island belongs, can it be of any consequence whether the volume of money is contracted or not? He believes, because all other forms of money in this country are now at a parity with gold, that we have a "gold standard" which, if it means anything, means that we have a standard regulated by the average cost of producing a certain number of grains of gold.

If that is true, it must be immaterial how many national banks may surrender their charters, or how many millions of national-bank circulation may be retired. If that is true, the retirement of the bank notes would not affect the value of the gold dollars remaining in circulation but would more firmly establish the gold standard by decreasing the paper demands upon it. The Senator betrays a lurking doubt of the soundness of his own theories when he specially deprecates the contrac-

tion of the national-bank notes, as he has frequently done in this debate and as he did not long ago by the introduction of a bill providing for the issuance of 2 per cent. long bonds, through the use of which the national banks might avoid a surrender of their circulation. But of what consequence is either the contraction or expansion of the volume of the currency if the value of money does not depend upon its volume? And, on the other hand, if the value of money does depend upon its volume why import into this discussion such wholly irrelevant things as the "commodity value" of gold or the cost of producing that metal?

Mr. ALDRICH. Does the Senator want an answer?

Mr. JONES, of Nevada. Yes, sir. If the value of money does not depend on its volume, what difference does it make whether you contract or expand it? In either case you still have the "gold standard." Even if you retire all the bank notes and greenbacks, you would still have the gold standard unchanged, and leave the gold dollar with no more purchasing power than it has now, if it be true that the value of gold, when used as money, is governed by the average cost of producing it. Is that cost rendered any greater or less because of the retirement of three or four hundred millions of paper? The Secretary of the Treasury in his annual report of last December recommended that the entire greenback circulation of $346,000,000 should be retired before the 4th of March, 1889. This, in my judgment, would result in such a financial crisis as this country has never seen, but, upon "gold-standard" theories, would be logical and safe and wise.

The term "gold standard" is almost as indefinite, vague, and misleading as the term "intrinsic value." It expresses no definite idea; and if it be admitted that the value of each unit of money is governed by the number of units in circulation it is as absurd to call the standard a "gold" standard because the Government decreed that gold alone should perform the money function as it would be to call the yard-stick made of ivory an "ivory standard" of length if the Government should decree that no yard-sticks should be used except those made of ivory. The ivory would have no more controlling force in governing the length of the stick than gold would have in determining the value of the money unit. The controlling element in the one case is a certain degree of linear extension; the controlling element in the other case is the number of units of money.

Whenever this great question shall be discussed as it ought to be discussed, the country will see that the monetary standard must always and in all cases be one of numbers, relatively to population, and when they do see it they will discard barter-money whose production is the result of chance and whose volume may fall so far short of what is demanded by the wants of commerce as absolutely to strangle both commerce and industry.

So varying and uncertain has been the supply of metallic money in the past that the advance of the world has been fitful and spasmodic. The discovery of new and prolific mining fields has distinctly marked the periods of prosperity, and the years of declining supply have as distinctly marked those of adversity.

Mr. Jacobs, in his history of the precious metals, states that at the commencement of the Christian era there were $1,800,000,000 of gold and silver in the western world, and that by the end of the eleventh century there were but $200,000,000. This pregnant statement renders unnecessary any other explanation of the extraordinary disappearance of the art, science, liberty, and civilization of the world in the period known as the "Dark Ages." The first reaction came with the invention of bills of exchange, which in some measure increased, if not the volume, the efficacy of money. That, however, was not sufficient, and permanent relief was obtained only when the argosies of Spain brought gold and silver money from the New World and placed it within the reach of the industries of Europe. In this, as in every other instance in which the volume of money has been adequately increased, civilization advanced by leaps and bounds.

In 1848, on the Pacific coast, John Marshall saw something shining in the sand, in the tail race of Sutter's mill. Never did a light shine so far as that. Never did the lost wanderer in the desert hail the bubbling spring with more joy than did the world hail that which was to relieve the famine of money. In twenty-five years after the discovery $3,000,000,000 were added to the world's supply of gold. In that short period the world made more advance than it had made during the previous two hundred years. It was then that the rate of interest, to which the Senator from Massachusetts [Mr. HOAR] has called my special attention, instead of declining in consequence of the abundance of money, increased in a marked degree.

In that case, as in all cases when the volume of money has increased, interest rose because the price of property rose and because those who borrowed money could afford to pay a larger interest when the property in which they invested it instead of shrinking expanded in value. During those twenty-five years of prosperity based upon an adequate volume of money increasing with the demands for it there were more railroads built and more inventions made, and a greater advance, materially, morally, and intellectually, all over the world than ever before.

It was not the production of $3,000,000,000 worth of property, but the production of three billions of the units of money which constituted the significance of the metallic discoveries in California and Australia. The State of New York alone produces yearly almost $1,500,000,000 worth of property which in no way attracts the special attention of mankind. In what way then did the gold of California and Australia produce the great effects that followed its discovery? Was it because it supplied the demand for bangles and breastpins? No; it was because it reversed the process by which prices had been shrinking after 1809 through the decrease in the volume of money resulting from the war between Spain and her American colonies.

From the report of the monetary commission of 1876–'77 I quote a truthful description of the misery and discontent which were occasioned by the long-continued shrinkage in the volume of money, commencing at the outbreak of that war and terminating with the discovery of gold in California:

> Symptoms of disasters similar to those which befell society during the Dark Ages were observable on every hand during the first half of this century. In 1809 the revolutionary troubles between Spain and her American colonies broke out. These troubles resulted in a great diminution in the production of the precious metals, which was quickly indicated by a fall in general prices. As already stated in this report, it is estimated that the purchasing-power of the precious metals increased between 1809 and 1848 fully 145 per cent., or, in other words, that the general range of prices was 60 per cent. lower in 1848 than it was in 1809.
>
> During this period there was no general demonetization of either metal and no important fluctuation in the relative value of the metals, and the supply was sufficient to keep their stock good against losses by accident and abrasion. But it was insufficient to keep the stock up to the proper correspondence with the increasing demand of advancing populations. The world has rarely passed through a more gloomy period than this one. Again do we find falling prices and misery and destitution inseparable companions. The poverty and distress of the industrial masses were intense and universal, and, since the discovery of the mines of America, without a parallel.
>
> In England the sufferings of the people found expression in demands upon Parliament for relief, in bread-riots, and in immense Chartist demonstrations. The military arm of the nation had to be strengthened to prevent the all-pervading discontent from ripening into open revolt. On the Continent the fires of revolution smoldered everywhere and blazed out at many points, threatening the overthrow of states and the subversion of social institutions.
>
> Whenever and wherever the mutterings of discontent were hushed by the fear of increased standing armies the foundations of society were honey-combed by powerful secret political associations. The cause at work to produce this state of things was so subtle and its advance so silent that the masses were entirely ignorant of its nature. They had come to regard money as an institution fixed and immovable in value, and when the price of property and the wages of labor fell they charged the fault not to the money but to the property and the employer. They were taught that the mischief was the result of overproduction.
>
> Never having observed that overproduction was complained of only when the money stock was decreasing, their prejudices were aroused against labor-saving machinery. They were angered at capital, because it either declined altogether to embark in industrial enterprises or would only embark in them upon the condition of employing labor at the most scanty remuneration. They forgot that falling prices compelled capital to avoid such enterprises on any other condition, and for the most part to avoid them entirely. They did not comprehend that money in shrinking volume was the prolific parent of enforced idleness and poverty, and that falling prices divorced money, capital, and labor, but they none the less felt the paralyzing pressure of the shrinking metallic shroud that was closing around industry.
>
> The increased yield of the Russian gold-fields in 1846 gave some relief and served as a parachute to the fall in prices, which might otherwise have resulted in a great catastrophe. But the enormous metallic supplies of California and Australia were all needed to give substantial and adequate relief. Great as these supplies were, their influence in raising prices was moderated and soon entirely arrested by the increasing populations and commerce which followed them. In the twenty-five years between 1850 and 1876 the money stock of the world was more than doubled, and yet at no time during this period was the general level of prices raised more than 18 per cent. above the general level in 1848.
>
> A comparison of this effect of an increasing volume of money after 1848 with the effect of a decreasing volume between 1809 and 1848, strikingly illustrates how largely different in degree is the influence upon prices of an increasing or decreasing volume of money. The decrease of the yield of the mines since about 1865, while population and commerce have been advancing, has already produced unmistakable symptoms of the same general distrust, non-employment of labor, and political and social disquiet, which have characterized all former periods of shrinking money. (Senate Report No. 703, Forty-fourth Congress, second session.)

Is it not probable that the similar conditions existing to-day may, if not averted by wise legislation, produce like results?

The cause most frequently given for the present depression all over the world is "overproduction." Nevertheless it is certainly true that there can be no such thing as a general overproduction. There may be a temporary overproduction of particular things. But, viewed in the large, supply and demand are but two phases of the same thing. Whoever produces anything for sale creates thereby a new demand for something else, and the power of the world to consume depends upon the extent to which it produces. There never has been and never can be an overproduction of things needed by the human family.

It is preposterous to say that there is too much clothing or that there are too many shoes when there are vast numbers of people who are barefooted and are covered only with rags; it is preposterous to say that there is too much food when a large portion of mankind are always on the verge of starvation. If this theory of "overproduction" has any truth in it, it would be wise to provide by law for the imprisonment of all persons engaged in productive industries and for the reward of tramps who live on free lunches. [Laughter.]

No, Mr. President, the difficulty is not in that impossible thing, "overproduction," but in under-consumption, caused by the congestion of business which has been brought on by the shrinking of the volume of money and steadily falling prices. Consumption has fallen off, not because consumers are oversupplied but because, being largely remitted to idleness, they lack the means of purchasing the things which they grievously need.

Great as the difficulty is it may nevertheless not need much added

money to remove it, and especially if the country could be satisfied that the policy of contraction was permanently reversed. It is only the difference between 31° and 33° Fahrenheit which makes the change from freezing to thawing. Within that range of the thermometer the surface of the earth is at one time all ice and at another time all flowing water and fructifying streams.

Similarly, it happens that whenever the volume of money shrinks, by however small a proportion, if only the proportion be such as to increase in any perceptible degree the difficulty of obtaining it, forthwith the more acute and watchful observers decide to keep under control the money they have by depositing it in banks or otherwise, and especially by avoiding investments in property. The less active neighbors of these sharp and watchful men instinctively follow their example, and thus the circle of distrust becomes wider and wider. In this country to-day the range of prices is probably 20 per cent. lower than it would be if the money in existence were in actual circulation.

A little shrinkage of the money in existence causes a great shrinkage of the money in circulation because of hoardings on the part of all those who believe that prices have not reached bottom.

However, in the course of a long-continued shrinkage in the volume of money men become impatient; they get tired of inaction; they find themselves eating up their principal, and are likely from time to time to conclude from some circumstance that the shrinkage is at an end and that prices are at the bottom.

This circumstance may be one thing, and may be another. Sometimes it is nothing more than the assertion of the combined newspaper press that things are going up; sometimes it is the prospect of great crops; sometimes it is the fact of the increased earnings of particular classes of railroads. But the process of shrinkage resulting from the hoarding of money is, as matter of fact, sometime or other interrupted by a reaction. When that occurs there is always a possibility of a considerable increase of the money in circulation, because the amount of hoarded money is frequently large, being probably in some extreme cases as much as 33⅓ per cent. of all the money in the country. Of course the sudden and rapid increase of a much less proportion than 33 per cent. of the money will cause what is called a "boom."

There was probably 33 per cent. of our money locked up in the summer of 1879, when the upward reaction of that time commenced. It may not be possible to understand all the precise causes which led to it, but among them undoubtedly was the prevalence of the opinion that the resumption of specie payments on the 1st of January of that year would cause a change for the better. At any rate there was a change for the better. The hoarded money was unlocked by the rising of prices. The "boom" lasted two years, and, like all reactions, whether upward or downward, it went beyond the legitimate force of the causes that produced it and ended in disaster.

Since 1881 there has been a persistent downward reaction and a steady decline in prices, aggravated by renewed hoardings and by a continued shrinkage of the volume of money in circulation as a consequence of those hoardings. As I said a moment ago, it is undoubtedly true that the volume of money now in existence warrants higher prices than those which are current; but what particular circumstance may cause a temporary upward reaction none can foresee. This explains the seeming anomaly of the rise of prices at times when the volume of money relatively to population is actually shrinking.

I asked a political economist lately what was the cause of the depression in business. His answer was that it was a "lack of confidence." I asked him in respect to what there was a lack of confidence; whether it was a lack of confidence in the integrity of the people, in the stability of the Government, or in the abundance of the crops, but I got only the answer that the difficulty was a "lack of confidence." The political economist did not answer my question. But I will endeavor to answer it myself. I say that it is a lack of confidence on the part of the people that when they invest their money in property they will get it back again.

It is a general lack of confidence that prices will rise or that they are even at the bottom. In fact it is a general belief that they are still going down. No man keeps his money idle when he sees a chance of profitably investing it. And all men, without any express formulation, do by their actions indicate their belief that the volume of money is destined to a further shrinkage, and that prices can not rise as long as that operation continues.

What is the situation to-day? The circulation of the banks is contracting. The supply of gold from the mines is scarcely enough to meet the demands of the arts, and the supply of silver only slightly exceeds the demands of the arts and the immemorial demands of Asia. For the last thirty years the world has been mercilessly ransacked for gold and silver, and it is doubtful whether any new or extensive gold fields will ever be discovered.

Silver mines are almost as readily discernible on the surface of the earth as forests are, and it is the first croppings that are the most productive. The difficulties of working them multiply as you descend into the earth; and in all silver mines a barren zone is soon reached at which, in point of fact, the working of the mines generally ends. The depth of the barren zone can not be anticipated, and the uncertainty of the result and the cost of the experiment of penetrating it deter most operators from the hazard.

All the facts of the mining situation indicate that no increase of the world's yield of the precious metals can be reasonably anticipated, and consequently something else than the precious metals must be relied on to supply the world's increasing demand for money.

I advocated the remonetization of silver in 1878, and have since urged its coinage up to the maximum permitted in the law passed in that year, because I believe in the principle that the money standard of a country is one of relative numbers, and that even if all the silver available for coinage were struck at our mints the volume of money in this country would not increase by a greater percentage than the increase of its population. I knew that the people were accustomed to a metallic money and that it was one of their inherited ideas, which they would not readily abandon. The precious metals have been immemorially regarded as the materials best fitted for the money function, but I believe that the time is at hand when we must recognize the fact that money is, after all, only an invention of society, and that it is one of the highest duties of government to regulate its volume and value in order that justice may prevail throughout all the land.

The question, Mr. President, is many-sided. I did not intend to discuss it during this session of Congress, and it is only by accident that I have been drawn into the present debate. I hope, however, that at the next session of the Senate this body may be inclined to discuss it fully, not in the form of set speeches running on parallel lines, but by the method of question and answer, in which Senators will state with frankness the position they occupy on the various propositions involved.

Naval Establishment.

SPEECH

OF

HON. JOSEPH WHEELER,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, July 24, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the bill (H. R. 6664) to increase the naval establishment—

Mr. WHEELER said:

Mr. CHAIRMAN: I regret very much to hear this character of opposition to so important a measure. I am as sincerely desirous as any gentleman on this floor to protect American interests.

I appreciate the importance of all that has been or may be said favoring the use of American products in constructing American ships. I think that as far as it is possible the Government should use domestic materials in all its work, even though in some instances the same material could be purchased at lower prices in foreign countries.

There are many reasons why this policy should be steadfastly pursued.

First. The money would be kept at home.

Second. The Government can afford to pay something to encourage American enterprises.

Third. It is of the utmost importance that our manufacturers should be encouraged to make armor-plates and all other materials for war vessels, because it is obvious that, in the event of war, we would find it impossible to procure such materials from foreign nations.

For these reasons I advocate the proviso requiring the armor to be of domestic manufacture if it be possible to procure the material in this country within a reasonable time. But while much of the steel plate now indispensable to the efficient construction of an armored vessel can be procured here, it is admitted that the armor for the turrets of the monitors can not, at this time, be obtained in this country, and it is also admitted that it is very doubtful if this character of armor can be manufactured in the United States for some time to come. I therefore insist that to make it obligatory upon the Secretary of the Navy to use armor of domestic manufacture only would be to seriously delay the completion of those vessels.

On the 18th of June last I had the honor of addressing some remarks to the House upon the importance, the necessity, of having a navy, if the dignity and honor of our country are to be properly maintained.

I think it has been clearly demonstrated that during the last twenty years the United States has declined from the position of the most formidable naval power in the world to that of the feeblest; that all our ports are now at the mercy of eight foreign nations, and that even China, Brazil, and Chili possess naval ships and guns with which they could, as an alternative to bombardment, levy contributions upon nearly all of our coast cities. It has been further shown, I think, that the navy of any of the great powers could stand off, with their long-range guns—having a destructive range of 10 miles and upward—and sink any or all of our vessels, none of which carry guns of more than half that range.

In the presence of such a possibility I can not understand why so

many obstacles are interposed to the immediate inauguration of measures designed to remedy our absolutely defenseless condition—why gentlemen should insist upon amendments the adoption of which must have the effect of delaying those initial steps which are of necessity preliminary to the construction of efficient naval ships.

I certainly can not comprehend why any one should wish for further delay in completing the monitors. They have been in process of construction for twelve years, and those who take pride in our country wish to see them finished and afloat.

I will not intimate that those who seek to interpose and insist upon impossible conditions desire to prevent the building of a navy, but when we recall the fact that only on Thursday the consideration of the naval construction bill was defeated by Republican votes, it does seem that there is danger of such a suspicion arising in some minds.

I read from the RECORD, page 7336:

The SPEAKER. The question is now, will the House proceed to the consideration of the bill (H. R. 6664) to increase the naval establishment, which was made a special order for to-day?

A vote was taken upon this question, and 90 Republicans voted against the consideration of the bill and only 17 Republicans in favor of it.

It seems to me very clear that the friends and advocates of an efficient navy are to be found in the Democratic party.

Mr. BUTTERWORTH. I would like to ask my friend from Alabama a question. Does not the report of the board selected by the Senate to inquire into the question of the possibility of procuring steel or other suitable material for providing armor in this country state that all the requirements of the Government in that direction can be produced by American manufacturers?

Mr. WHEELER. And if they did this bill says that the Secretary of the Navy must procure it here.

Mr. BUTTERWORTH. But it goes further than that; it leaves it in the power and discretion of this officer to go outside to get it; and it is a dangerous power to put into the hands of a man who may not possibly be specially friendly to American industries.

Mr. WHEELER. But this administration is the most friendly to American interests that this country has had for the last twenty-five years. [Applause on the Democratic side.]

Mr. BUTTERWORTH. The defenseless condition of our coasts do not indicate that.

Mr. WHEELER. The present condition of our coasts was brought about by the administration prior to 1885.

Mr. BUTTERWORTH. And the first step of the Secretary of the Navy is to crush out the only plant in this country which is able to give us a good war ship.

Mr. SAYERS. I rise to a question of order.

The CHAIRMAN. The gentleman will state it.

Mr. SAYERS. Has not the debate closed on this amendment?

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. REED, of Maine. What is the use of talking about what the administration wants when the other side of the House is not influenced by such considerations?

Mr. WHEELER. It has every influence on this side, and is sustained in its laudable and successful efforts to introduce economy, integrity, and efficiency in every department of the Government.

[Here the hammer fell.]

Reduction of Customs and Internal-Revenue Taxes.

SPEECH

OF

HON. SAMUEL J. RANDALL,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, August 5, 1886,

On the bill (H. R. 9702) to reduce and equalize duties on imports, to reduce internal-revenue taxes, and to modify the laws in relation to the collection of the revenue.

Mr. RANDALL said:

Mr. SPEAKER: I present the following statement explanatory of House bill 9702, entitled "A bill to reduce and equalize duties on imports, to reduce internal-revenue taxes, and to modify the laws in relation to the collection of the revenue."

It is not claimed that the bill contains anything extraordinary, or that it is entirely original. That portion relating especially to duties on imports, includes much that was embraced in the bill introduced early in the session by the chairman of the Committee on Ways and Means. It also embraces the recommendations of Acting Secretary of the Treasury Fairchild in his letter of the 14th of June, 1886, to the chairman of the Committee on Ways and Means, relating to duties on silks, laces, embroideries, and leather gloves. The other provisions changing rates of duty on imported articles are designed either to aid, to the extent of the revenue power, new and much-needed industries, or in like manner revive languishing industries, in the interest of home labor and home trade, or to give legitimate encouragement to our agricultural interests, or to correct inequalities in the existing laws, or to reduce the cost of commodities to the consumers of the country, or to afford proper safeguards to legitimate importers throughout the country by the judicious application of specific duties, and thereby lessen the opportunities for fraud and evasion, or to simplify administration and diminish the cost of collecting the revenue.

The purely administrative provisions of the bill are, with slight modifications, those of the Hewitt bill, as is also the provision (section 7) remitting the internal-revenue tax on alcohol used in the arts, or for manufacturing purposes.

The sections abolishing the internal-revenue tax on tobacco, snuff, &c., and on fruit distillations are those embodied in bills introduced by Mr. TUCKER, of Virginia.

There is nothing in the bill calculated to cause a shock to any business interest of the country; but it does contain a number of provisions which would infuse new life and vigor into different business interests; and it is believed that the general tendency of the bill would be reassuring to the country.

It is not claimed to be a complete or perfect measure of tariff revision, but a fair step in the right direction and a sufficient indication of the policy which should be pursued in revising or remodeling our tariff and revenue laws. It affords an opportunity for the two great political parties of the country to give an earnest of their purpose to fulfill the pledges made at Chicago in 1884, namely, "to revise the tariff in a spirit of fairness to all interests," and "to correct the inequalities of the tariff and to reduce the surplus."

TIMBER, LUMBER, ETC.

With a view to the protection of our forests, the bill provides for the free admission of timber, sawed lumber, pickets, palings, staves, posts, blocks, &c., imported in the rough state. At the same time, however, provision is made for the protection of our planing and finishing mills and of our carpenters and builders, by imposing a sufficient duty upon all the articles named when advanced from the rough state. The present rate of duty is retained on laths and shingles, as the value of the raw material in them is small compared with the amount of labor in their production.

JUTE BUTTS.

Jute butts do not compete directly with any fiber grown successfully in this country, and their exemption from duty would not hurt our agricultural interests. At the same time, the removal of the duty would reduce considerably the cost of production of gunny cloth and other coarse articles of common use made from them, including bagging for cotton, &c., and thus benefit the consumer.

As to hemp, manila, sunn, sisal grass, and other fibrous vegetable products, the duty should be differentiated the same as in flax, so that the tax thereon would be laid in accordance with the amount of labor put on the article as it is advanced from the crude condition. The data is not at hand for providing rates in this view. It is therefore thought best to allow the existing rates to stand on these articles for the present.

BRISTLES.

The exemption of bristles from duty would benefit greatly the brush manufacturers of this country; in fact would revive that now languishing industry, and thus would not only give employment to much idle labor, but would also result in keeping at home probably $300,000 of the money now sent abroad annually to purchase foreign-made brushes, and would reduce the revenue from that source perhaps $100,000 per year. The present duty on bristles is no more needed than a duty on other offal of the hog. The best bristles are not produced in this country, but come from the inferior wild hogs of Northern Russia, which bristles our brushmakers must have.

IRON AND STEEL MANUFACTURES.

The reductions in rates on various manufactures of iron and steel are quite liberal and are thought to be as much as these articles can bear without reducing the price of labor engaged in their production, or opening the gate to a flood of foreign products of these classes.

Stated in ad valorem equivalents, the percentages of reduction on the several groups of articles are as follows:

Iron and steel railway bars, weighing over 25 pounds to the yard, 9 per cent. to 12 per cent.

Iron and steel T rails, weighing not over 25 pounds to the yard, 12.66 per cent.

Iron and steel fish-plates, or splice-bars, 17.60 per cent.

Horseshoe nails, hob-nails, &c., 29.21 per cent.

Iron or steel beams, girders, joists, angles, &c., 20.12 per cent.

Steel wheels, steel-tired wheels, &c., 14 per cent.

Iron or steel ingots, cogged ingots, blooms, &c., 25.37 per cent.

Sheet-iron, common or black, not thinner than No. 20, 4.27 per cent.

The same, thinner than No. 25, 8.14 per cent.

Round iron in coils or rods, &c., 8.41 per cent.

Wire rope and wire strand, not smaller than No. 16, 5.86 per cent.
The same, not smaller than No. 26, 11.23 per cent.
Wire cloths and wire nettings, not smaller than No. 26, 20.04 per cent.
The same, smaller than No. 26, 17.22 per cent.
Lead ore and lead dross, 37.02 per cent.
Lead in pigs and bars, &c., 21.48 per cent.
Lead in sheets, pipes, or shot, 42.81 per cent.
Zinc spelter or tutenegue, in sheets, 14.20 per cent.
Zinc, old and worn, &c., 47.28 per cent.

The provision fixing a uniform rate of 1½ cents per pound on all common, or black sheet-iron, and so called "taggers" iron, thinner than No. 25 wire gauge, is to do away with an inequality and a fruitful source of fraud in the present law, which has not only been seriously hurtful to domestic industry but also to honest merchants, and has benefited nobody but foreign manufacturers. It is not believed that the rate proposed will exceed the equivalent of 40 per cent. on an honest valuation, although it is apparently about 51 per cent.

Under the present law the rate on the article not thinner than No. 20 wire gauge is 1.1 cents per pound (which the bill reduces to 1 cent), while the rate on the article not thinner than No. 29 wire gauge is 1.5 cents per pound.

This scale of progression in rates under the present law ceases at No. 29 wire gauge, and a duty of 30 per cent. ad valorem is imposed upon all above that gauge, which includes what is commercially known as common, or black, "taggers" iron.

Statistics of the importations for 1884 and 1885 show that the duties collected on the article admitted at the latter rate averaged below the equivalent of 1 cent per pound. This shows that the finer article, up to 36 wire gauge, was so invoiced and admitted that the rate actually collected thereon was much below that imposed on the coarser article (No. 20 wire gauge), whereas, at the rate of progression in rates up to No. 29 wire gauge, the rate imposed upon No. 36 would have been eight-tenths of a cent per pound more than that on No. 20, or 1.9 cents a pound. It is thought that the rate proposed in the bill (1½ cents a pound) will enable our manufacturers to make the article, and thus give needed employment to home labor without increased cost to the consumer, and at the same time save trouble in administration, and also result in a reduction of revenue from this article.

TIN PLATES.

The present rate of 1 cent per pound on tin plates is purely a revenue duty, and operates as a tax upon the consumer without benefiting any American industry. If we can not produce the article in this country, then this tax should be taken off. If, by increasing the rate 1¼ cents per pound, we can establish the tin-plate industry successfully in the United States, it is certainly wise policy for us to do so, as it would result in giving needed employment to labor and capital, would, by competition, give the consumers of the country a better article at a price no greater than is now paid for the inferior quality we get from abroad (and the use of which has proved so detrimental to our trade in canned meats, fruits, &c.), and would relieve us from dependence upon a foreign country for an article of such extensive and indispensable use.

It is claimed and believed that with a duty of 2¼ cents a pound the tin-plate industry would be speedily and successfully established here. In this view let us try the experiment, and if it fail then remove the duty entirely.

The United States is the largest consumer of tin plates in the world. We afford Great Britain a market for two-thirds of her entire production of that article; in fact we have practically built up and are sustaining that most prosperous branch of the iron and steel industry of England and Wales, and this, too, largely to the detriment of our domestic manufacturers of those qualities of sheet-iron and steel which enter into competition with tin plates and terne plates for certain important uses.

Our mines contain all the raw materials entering into the production of tin plates and terne plates that are to be found in the mines of England and Wales; yet we do not produce a box of these plates, for the reason that the duty imposed does not adequately protect our higher priced labor.

Within the past six years we have paid British manufacturers over $100,000,000 for tin plates, besides paying foreign vessels some millions more for bringing them to our shores. This is too much money to send out of the country for an article which we are capable of producing, especially when the balance of trade is running against us.

Herewith is submitted a statement showing that the drawback paid on tin plates in 1885 was $1,144,134.12, and in 1886 was $1,220,935.31. The figures for 1885 are official, and those for 1886 are from official reports up to May 31; the amount for June being estimated.

It thus appears that over 25 per cent. of the revenue from tin plates is consumed in drawbacks. The revenue gets really less than three-fourths of a cent per pound on tin plates. There is always more or less fraud attending the payment of drawbacks.

Statement showing amount of drawback paid on tin plates during the fiscal years of 1885 *and* 1886, *as shown by the accounts received.*

Customs district.	Year ending June 30, 1885.			Year ending June 30, 1886.			
	Drawback.	Retention.	Paid.	Drawback.	Retention.	Paid.	From July 1, 1885, to—
Baltimore	$5,418 30	$541 82	$4,876 48	$4,293 55	$429 35	$3,864 20	May 31, 1886
Boston	30,015 10	3,001 46	27,013 64	27,112 68	2,711 16	24,401 52	May 20, 1886
Chicago	12,070 73	1,207 07	10,863 66	21,142 15	2,114 26	19,027 89	May 31, 1886
Galveston	311 74	31 17	280 57	.....	.....	.....	
Milwaukee	257 08	25 70	231 38	.....	.....	.....	
New York	946,508 88	94,650 89	851,857 99	963,638 12	96,363 81	*867,274 31	May 31, 1886
Oregon	32,229 28	3,222 18	29,007 10	.....	.....	.....	
Philadelphia	226,331 63	22,633 07	203,698 56	180,927 02	18,092 70	162,834 32	May 31, 1886
Portland, Me	899 02	89 91	809 11	212 39	21 24	191 15	May 31, 1886
Paso del Norte	.....	.....	.....	213 62	21 36	192 26	(†)
Puget Sound	166 59	16 65	149 94	66 81	6 68	60 13	Mar. 31, 1886
San Francisco	16,144 35	1,614 36	14,529 99	24,271 85	2,427 29	21,844 56	May 31, 1886
Willamette	906 33	90 63	815 70	366 64	36 67	329 97	May 31, 1886
	1,271,259 03	127,124 91	1,144,134 12	1,222,244 83	122,224 52	1,100,020 31	
Estimate for remainder of year	.....	.....	.....	.....	.....	120,915 00	
Total	.....	.....	.....	.....	.....	1,220,935 31	

* Includes drawback on solder, handles and nozzles, and on lumber and nails used in boxing; drawback on tin estimated at 87 per cent.
† August 1, 1885, to May 11, 1886.

JOHN S. McCALMONT, *Commissioner of Customs.*

TREASURY DEPARTMENT, OFFICE OF COMMISSIONER OF CUSTOMS, *July* 9, 1886.

SUMMARY.

Duties collected on tin plates during fiscal year 1885	$5,055,590 76
Drawback paid on tin plates during fiscal year 1885	1,144,134 12
Net revenue	3,911,456 64
Duties collected on tin plates during fiscal year 1886 (June estimated)	5,532,752 04
Drawback paid on tin plates during fiscal year 1886	1,220,935 31
Net revenue	4,311,816 73

IRON AND STEEL WIRE RODS, IN COILS AND LOOPS.

Steel wire rods lighter than No. 5 wire gauge, not being specially provided for, fall under the provision "for all forms or kinds of steel not specially enumerated," at 45 per cent. ad valorem, while both iron and steel wire rods above No. 5 wire gauge are provided for at six-tenths of a cent per pound or $13.44 per ton. The result is that an immense quantity of the article lighter than No. 5 (and which is really wire) has been imported at values which, at 45 per cent., have yielded a duty less than the equivalent of $11 per ton. Thus a much lower rate of duty is actually collected upon the finer and more costly than upon the coarser and cheaper article. That this is accomplished by evasion is manifest, and that it benefits no one but the foreigner is certain, while it takes large sums of money annually out of the country, and is a serious injury to home industry, without compensatory benefits to consumers.

The statistics show that the importations of iron and steel wire rods

not lighter than No. 5 wire gauge were invoiced at an average value, in 1885, of about 1¾ cents per pound, while steel wire rods lighter than No. 5 wire gauge were invoiced at an average value of only 1.2 cents per pound, thus clearly showing that the latter was undervalued, since (being finer) they are worth more than the article invoiced at 1¾ cents. The rate collected in 1885 on iron and steel rods not lighter than No. 5 averaged about the equivalent of 35 per cent. only; and it is believed that the rate (eight-tenths of a cent per pound) proposed in the bill on the article lighter than No. 5 wire gauge would not yield above 35 per cent. if the article was invoiced at a proper valuation.

It is believed that the rate proposed would enable our manufacturers to make the article, thus giving increased employment to labor, and would at the same time save great trouble in the custom-houses and put a stop to fraud.

It would probably reduce the revenue from this source fully $400,000 a year.

COTTON-TIES.

The bill provides a duty of 1 cent per pound on iron or steel cotton-ties or hoops for baling purposes, instead of the present rate of 35 per cent. ad valorem, and which, at the entered values of the past two years, has only equaled about one-half cent per pound. The rates imposed by the existing tariff on common bar-iron are from eight-tenths of a cent to 1.1 cents per pound, and on plain hoop-iron from 1 cent to 1.4 cents per pound. The "cotton-tie" is made from hoop-iron, and represents, in addition to the value of the iron in that form, the cost of cutting into lengths, the buckles, punching, riveting, varnishing, &c. Thus the finished article pays only about half the actual duty that is imposed upon the material from which it is made—a positive discrimination against the home manufacturer and in favor of foreign manufacturers and of a monopoly of foreign shippers who really control the importations to this country.

This is done by the grossest evasions of duty, from which they derive the full benefits, as the consumers of this country have to pay the full value of the article. The average invoice value of the cotton-ties imported in 1885 was 1.4 cents per pound, while the average invoice price of the kind of hoop-iron (not thinner than No. 20 wire gauge) from which they are made (but which pays a specific duty of 1.2 cents per pound) was 2.6 per pound, thus clearly showing that the cotton-ties were invoiced and paid duty at less than one-half their true value. Certainly the consumers of cotton-ties of this country should not desire nor be willing to profit, even if they could, from an irregularity of this kind. One and four-tenth cents with 35 per cent. added is little more than 1¾ cents per pound. Let the consumers of cotton-ties examine their bills and see how this price compares with those they have paid for the article.

The rate of duty proposed by the bill is not believed to be above the equivalent of 40 per cent. on a fair valuation of the article. It is lower than it should be; yet it is thought that it will enable our manufacturers to make the article, and thus, by competition, not only make it as cheap or cheaper to the consumer, but at the same time help home industry, give needed employment to labor, keep at home some $500,000 a year (now sent abroad), besides saving a large sum expended in collecting the revenue, as the frauds in the invoicing of this article have been a source of great trouble and expense in the custom-houses. It is believed that if the rate of duty proposed by the bill is adopted, it will result in a reduction of the revenue of at least $100,000 annually from a reduction of importations.

STARCH.

The reduction in rates proposed on potato or corn starch is equal to 22 per cent., and on rice and other starch, equal to 13 per cent. The proposed rates are believed to be ample, however, for the protection of these articles, and it is not believed that the reduction in rates would cause any increase of importations.

RICE.

The proposed provision for rice flour, meal, and broken rice, with the proposed regulations governing the importations, will afford far better protection than under the existing tariff, and it is believed will result in excluding large quantities of the article heretofore imported as "broken or granulated rice," at 20 per cent., by subjecting it to the specific rates, either as cleaned or uncleaned rice; so that it is estimated that there will be a reduction of revenue from this source of not less than $60,000 annually.

GLUCOSE OR GRAPE SUGAR.

Considerable trouble has arisen in the custom-houses on account of the undervaluation of this article, particularly of large consignments from Germany, made from potatoes, and which have had the effect to depress the market for the domestic product made from Indian corn, thus affecting not only an important domestic industry, but also a great agricultural interest. The importations in 1885 amounted to 2,496,408 pounds, at an average invoice price of only 2.7 cents per pound. The specific rate proposed is thought to be below the equivalent of 20 per cent. ad valorem on a fair valuation of the article. Therefore it does not really increase the existing rate, but will prevent the importation of the article in fraud of the revenues, and hence tend to its exclusion, so that a reduction of one-half at least of the revenues from this source would result—say $7,000 a year.

CASTILE SOAP.

The undervaluation of this article has caused much annoyance in the custom-houses, and has been a source of much vexation and loss to honest merchants, so that the imposition of a specific duty upon it has become a necessity in the interests of honest merchants, and of the Government in the protection of the revenue. The specific rate proposed is really less than the equivalent of 20 per cent. ad valorem on a fair valuation of the article. The average invoice price of the article during 1885 was 6 cents per pound.

COD-LIVER OIL.

The specific rate proposed will put an end to the troubles arising from the undervaluation of this article, and will insure the importation of a purer and better quality of oil, being a considerable reduction of the present rate. Its operation will be beneficial to all parties properly interested in its importation and use.

OCHER AND OCHERY EARTHS AND UMBER AND UMBER EARTHS.

Although the proposed rates (on the articles in the dry or crude state) are only one-half the present rates, they are believed to be sufficient for the protection of our domestic paint mines of the same class, as the rate on ocher will be equivalent to 25.14 per cent. and on umber to 35.22 per cent. on the values of 1885.

CLAY TOBACCO-PIPES.

The imposition of a duty of 70 per cent. on "pipes, pipe-bowls, and all smokers' articles (except clay pipes)" has resulted in building up important industries in this country, and in retaining here the millions of money which formerly were sent abroad to purchase these articles, notwithstanding the fact that the duty (being ad valorem) is more or less evaded. The rate of 35 per cent., however, on clay pipes has resulted in practically destroying that industry in this country (notwithstanding we have the most superior clay for that use), and has given the trade in that article to German and Scotch manufacturers, who, by a system of undervaluation, combined with the low prices they pay for labor, have succeeded in starving out that industry in this country, which it is the purpose of this provision of the bill to revive, and thus not only give employment to a large number of skilled laborers, but also to retain here over $50,000 sent out of the country annually for the purchase of these articles.

It is represented by those in the trade that the bulk of importations is of what are known as "T. D.'s," and "short Dublins," the cost of production of which in this country (packed for market) is 46½ cents and 57 cents per gross, respectively, whereas the cost of producing the same abroad is only about 28 cents and 35 cents per gross, respectively. So that the rate (16 cents per gross) proposed by the bill is somewhat less than the difference in cost of production here and abroad; yet with the addition of freight, exchange, &c., and the prevention of undervaluation, it will cover the differences and thus build up and protect an important industry.

The rate proposed is not believed to be more than the equivalent of 50 per cent. ad valorem on the true value of the foreign article, including boxes, packing charges, &c., which charges, though now evaded, really form part of the salable value of the article. There is no reason for imposing a less rate of duty on clay pipes than on pipes made from wood or from other materials, although the latter pay 70 per cent. ad valorem. It is thought the proposed rate would cause a reduction in revenue of about $15,000 annually.

LIVE ANIMALS.

The law for the free admission of animals for breeding purposes has operated to nullify to a great extent the dutiable provisions for live animals. The importations are mostly from contiguous foreign territory, and compete directly with ordinary stock grown in this country. It having been held by the courts that any animal capable of breeding may be admitted free, the rule previously prescribed by the Treasury Department, that such animals must be of superior breed to be entitled to free admission has become nugatory. No benefit can now accrue to our agricultural or breeding interests by reason of said law. On the contrary these interests are injured by it.

It is a well known fact that, under the operation of that law and of the decisions of the courts referred to, stock-raisers in Canada advanced the price of breeding-animals equal to or beyond the amount of duty saved; and our farmers and others who bought such animals there had to pay as high or higher prices than if duty had been imposed, while the Government lost the revenue. Therefore, the persons chiefly benefited now by the continued free admission of such animals are the Canadian stock-raisers.

If it is desired to import valuable animals of superior breed the small specific duty proposed would be but nominal and not at all burdensome, while the imposition of such duty would be a proper tax upon animals competing with the ordinary stock grown in this country.

The change from ad valorem to specific rates is necessary by reason of the gross undervaluation which has been practised and will save vast trouble and expense in administration as well as much litigation. The practice of importers has been to undervalue the animals upon

which duty was to be assessed and to overvalue those entered free as for breeding purposes to deceive the customs officers.

The average reported value of those entered free is therefore incorrect and misleading.

The published reports of the Statistical Bureau of the Treasury Department show a continued and rapid increase of animals admitted free of duty, as if imported for breeding purposes, and prove beyond question that the provision of the present law for their free admission is being taken advantage of more and more in fraud of the revenue and to the detriment of our domestic stock-raising and wool-growing interests. For example, during the fiscal year 1884 the number of sheep admitted free was 4,260, and their average value per head was $17.31.

In 1885 the number increased to 5,294, and the average value per head fell to $6.78. During the ten months ending April 30, 1886, no less than 30,734 were admitted free, at an average value per head of only $1.75; and reports recently received from the collector of customs at Corpus Christi, Tex., show that within three months over 31,000 sheep bearing heavy fleeces were admitted free of duty at one subport (Laredo) in his district, having been driven over from Mexico in four flocks for the purpose, undoubtedly, of shearing them in the United States, thereby escaping payment of the duty on the wool.

The official reports also show that the number of horses admitted free during the ten months ending April 30, 1886, was 18,002, an increase of 3,211 over the importations during the corresponding period in 1885. The average value per head of the horses admitted to free entry in 1885 was only $103.60. It will scarcely be contended that horses at this price, or sheep at $1.75 per head, are likely to improve the breeds of our domestic animals. The law as it stands only benefits smugglers, adventurous revenue defrauders, and stock-raisers in Canada and Mexico.

It is believed that the imposition of the rates proposed would result in excluding a large number of ordinary and inferior animals now brought in at nominal values, as well as a good many now undervalued, and would in the end cause a reduction, rather than increase, of revenue from this source. It would certainly prove a measure of protection to our stock-raisers, especially of horses, cattle, and sheep along the Canadian and Mexican borders, as well as to the wool-growers of the country.

ORANGES, LEMONS, AND LIMES.

The rates proposed on these articles are upon the same basis as the specific rates now imposed upon oranges as far as these rates go, which apply only to oranges in packages of certain capacity, while those not in packages of the capacity specially named are dutiable at 20 per cent. By levying purely specific rates on all these articles (in whatever sized package or form imported) evasions now extensively practiced will be prevented, honest importers will be protected, and great trouble will be saved in administration. The rate on lemons is a slight reduction of the present rate, which is 30 cents per package of 2½ cubic feet, instead of 25 cents.

GRAPES.

The rate now imposed on grapes is 20 per cent. ad valorem and has been shamefully evaded. They come chiefly from the Mediterranean, packed in barrels and kegs, and the deductions for these coverings, packing, &c., have left the dutiable value of the fruit itself a mere trifle, while selling at very high prices to the consumer, so that while the rate proposed is about one-fourth of a cent a pound more than is now collected it is much less than 20 per cent. of the actual value of the fruit. This article has been a source of great trouble in administration which the proposed change will obviate.

FRUIT JUICE OR CHERRY JUICE.

The rate now imposed on this article is 20 per cent. ad valorem, and it is believed was intended to apply to fresh or unfermented juices for use as food only, and not to a fermented article in form of a beverage or for use in making brandy or other liquors, in which condition it is now largely imported. It is contended by those well informed in the trade that after being sweetened and mixed with distilled spirits the article is sold as blackberry brandy, and is also used in the adulteration of port wine, and in making imitation wines, and should pay the duty imposed on still wines—50 cents per gallon—which would operate to exclude it.

CANDIED CITRON AND ORANGE AND LEMON PEEL.

These articles have been regularly and largely undervalued to the injury of the revenue and of honest merchants, and have occasioned much trouble in administration. Specific rates have been recommended by the trade and by customs officers. It is believed that the rates proposed are somewhat lower than the ad valorem rate of 35 per cent. now imposed, but that they will produce substantially the same revenue.

CEMENT, PORTLAND AND ROMAN.

The rate now imposed is 20 per cent. ad valorem, which, since the act of March 3, 1883, has been largely evaded by charges for barrels, packing, &c., resulting in litigation and trouble to the Government. American manufacturers of cement have been thus deprived of the protection which the law was intended to give them. It has heretofore been uniformly imported in barrels containing 400 pounds—worth in the foreign market from about $1.75 to $2 per barrel. The specific rate proposed of 8 cents per hundred pounds in barrels is therefore less than 20 per cent. on the true foreign value of the article, and will it is thought yield substantially the same revenue as heretofore.

WHITING AND PARIS WHITE.

The rate suggested is one-half the present rate of one-half cent per pound, which is equal to about 114 per cent. ad valorem.

GLYCERINE, REFINED.

The rate proposed is a reduction of 1 cent per pound, the present rate being 5 cents per pound, which in 1885 was equal to 53 per cent. ad valorem.

FISH GLUE OR ISINGLASS.

The rate now imposed on this article is 25 per cent. ad valorem, which (it is contended) has been largely evaded by undervaluation. Invoice values have been a subject of constant dispute at the custom-house ever since the duty was imposed in 1883. Prior to this time the article was free, and invoice values were nearly double the entered values since.

The importations are chiefly of what is known as "ribbon" isinglass, which was formerly invoiced at about 80 cents per pound, but has been entered (since it became dutiable) at about 45 cents per pound. The rate proposed would be 25 per cent. on a valuation of 60 cents per pound, and would apply also to the finer qualities of isinglass, such as "shredded" or "fine cut," used for culinary purposes, the value of which is very much higher than the "ribbon" isinglass.

CASTOR-BEANS.

The rate proposed is a reduction of 10 cents per bushel, the present rate being 50 cents per bushel, equal in 1885 to 48 per cent. ad valorem.

CASTOR-OIL.

The rate proposed on castor-oil is a reduction of 20 cents per gallon, the present duty being 80 cents per gallon, equal to 180 per cent. in 1885.

ACETATE OF LEAD.

The present rate is 6 cents per pound on white. The proposed rates are a reduction of 1 cent per pound on brown and 2 cents per pound on white. The ad valorem equivalent of the rate on the latter in 1885 was 136 per cent.

LITHARGE.

The rate proposed is a reduction of 1 cent per pound or one-third of the present duty, which is equal to 97 per cent. ad valorem.

ORANGE, MINERAL, AND RED LEAD.

The present rate on these articles is 3 cents per pound, which in 1885 was equal to from 73 per cent. to 85 per cent. ad valorem.

NITRATE OF LEAD.

The present rate is 3 cents per pound, which in 1884 was equivalent to 66 per cent.

The reduction in rates upon acetates of lead, litharge, orange mineral, red lead, and nitrate of lead are compensated for in the reduction of rates proposed on lead ore, dross, &c., from which these articles are made.

COTTON GOODS.

The only change from the present provision for stockings and knit goods generally is in the second paragraph, which is made to include "other goods" (besides stockings, hose, half-hose, shirts, and drawers), such as gloves, &c., and which should be subject to the same provisions.

The paragraph for "clothing, ready made," &c., is a new one, and increases the rate now collected on these articles 5 per cent., which is no more than enough to afford proper protection for labor of seamstresses, &c., in making up the garments. The present law affords no such protection, the duty being the same on the made-up garment as on the material from which it is made. It will be noticed that the provision proposed covers ready-made garments made from other vegetable material as well as from cotton, including linen goods.

The paragraph for laces, embroideries, &c., while providing the same rate as at present imposed on these articles made of cotton, also includes those made of other vegetable material now dutiable (for some unknown reason) at only 30 per cent., although they include the fine and expensive linen laces of Belgium, which are luxuries.

The provision for compound (specific and ad valorem) rates on Hamburg embroideries, laces, &c., is adopted from the letter of acting Secretary Fairchild to the chairman of the Committee on Ways and Means, dated June 14, 1886; also the provision for other laces, embroideries, insertings, &c.

OIL-CLOTH FOUNDATION, ETC.

The rate proposed is a reduction of 5 per cent., which (it is thought) is justified by the proposed reduction of 10 per cent. on jute.

GUNNY CLOTH.

The reduction on this article is 25 per cent. to 33 per cent. of the present rates, which are 3 and 4 cents per pound, according to value. These reductions are based on the exemption from duty of jute butts, from which the article is made.

BAGS AND BAGGING, EXCEPT FOR COTTON.

It is thought that the reduction of 5 per cent proposed is compen-

sated for by the exemption of jute butts from duty, and by the reduction of the rate on jute from 20 per cent. to 10 per cent.

BAGGING FOR COTTON.

The reduction proposed is one-fourth of a cent per pound on each of the two classes. It is also compensated for by the exemption of jute butts and the reduction of the duty on jute.

JUTE.

The present rate is 20 per cent. The rate proposed is equal to the ad valorem equivalent of the specific rates on flax.

SILKS.

This schedule is the one recommended to the chairman of the Committee on Ways and Means by Acting Secretary Fairchild on the 14th of June, 1886, except the provisions relating to wearing apparel and umbrellas and parasols, which are deemed no more than a just discrimination in favor of those engaged in those branches of skilled labor in the United States. Under the existing tariff no such discrimination is made, the manufactured article being admitted at the same rates as the piece goods from which made, thus placing our skilled work people on the same basis as to wages as the lower-paid labor of the Old World.

GLOVES.

The glove schedule is precisely as recommended by Acting Secretary Fairchild to the chairman of the Committee on Ways and Means.

WOOL.

The average duty collected on wool of class 3 in 1884 was 3.13 cents per pound, and in 1885, 2.78 cents per pound, the average during the two years being substantially 3 cents per pound, which is the rate proposed in the bill. As prices during these years were abnormally depressed, and as large quantities of this wool were undervalued to escape the higher rate of 5 cents per pound, it is thought that the rate proposed is below rather than above what it should be.

The advantage of substituting a single rate for the existing double rates would be to place all importers upon the same footing, and put a stop to the frauds which have been so long and extensively practiced, and which have caused the Government and all concerned so much trouble. It would also enable our carpet manufacturers to import much cleaner and better, and therefore more economical, stock than they have been enabled to obtain heretofore, at a price that would allow them to enter it honestly at the lower rate of duty.

The late protracted controversy respecting Donskoi wools illustrates the need of a legislative definition of the term "scoured" as applied to wool. From the evidence submitted to the Treasury Department it appears that certain of those wools have been admitted as "washed" when containing less than 7 per cent. of dirt, grease, or other foreign matter, while other wools of the higher classes have been imported and sold in our markets as "scoured" when containing as much as 15 per cent. of dirt, grease, &c. The effect of the proposed provision on this subject would, therefore, be to exclude considerable wool of class 3, heretofore imported as "washed" wool, much of which is used for purposes other than carpet stock, and not only displaces our better grades of home-grown wool, but depresses its market value.

About one-third of the importations of wool of class 3 in 1885 were of so-called "washed" wool. It is estimated that the exclusion of this article under the proposed provision would cause a reduction of revenue from that source of fully $300,000 per annum.

The provision for carded or combed wool, or "tops," is intended to prevent the importation of wool in these advanced forms at the rate provided for scoured wool, and thereby protect our skilled operatives engaged in that branch of labor, as well as our domestic wool. There being no provision of law for carded or combed wool, or "tops," the Treasury Department has held such importations to be dutiable at double the rate provided for scoured wool. Still, the courts may not sustain this ruling.

Attached to this statement, as an appendix, I submit some exhaustive statistics, obtained at the Statistical Bureau, and from its publications, touching the wool product of the United States.

WOOLENS AND WORSTED CLOTHS.

The proposition to put worsted cloths along with woolen cloths is a measure imperatively demanded in the interests alike of our domestic wool-manufacturing industry and of our wool-growers, and would correct one of the most glaring and hurtful inequalities in our present tariff. The rates proposed are the same as at present imposed upon woolen cloths, except that the minimum of value is fixed at 60 cents per pound instead of 80 cents, with an ad valorem rate of 30 per cent. instead of 35 per cent. This amendment of the present law, together with that increasing the rates on ready-made clothing and wearing apparel of wool, would give increased employment and compensation to a vast number of skilled and needy work people, would start anew a large number of establishments now closed, and would greatly benefit our wool-growers, as the effect would be to largely reduce the importations of these foreign articles, and the money now sent abroad for them would be kept at home. It is believed that the revenues would be reduced fully $1,500,000 next year from the diminished importations of worsted cloths and made-up wearing apparel of wool.

FLANNELS, BLANKETS, ETC.

This paragraph is simply changed in phraseology so as to make its meaning plainer, without any change in rates. The rates on yarns should be advanced; in fact, the whole schedule should be revised and recast; but the data for doing this properly is not at hand.

WOMEN'S AND CHILDREN'S DRESS GOODS.

The only change in this paragraph from existing law is in the proviso clearing up an ambiguity which has caused litigation, it having been claimed, and held, that the proviso related only to the goods last mentioned in the paragraph, instead of to all included in the paragraph.

READY-MADE CLOTHING, ETC.

The consolidation of the two provisions of the existing law covering articles of the same general class will simplify administration and save much trouble hitherto experienced in the application of these two provisions. The rates proposed are a slight increase over those now imposed, but are no more than sufficient to cover the cost of labor bestowed on these articles, it being assumed that these garments are made chiefly from the cloths which pay duty at 35 cents per pound and 40 per cent. ad valorem.

Much of the labor employed in making garments of the classes provided for by this paragraph is of the most necessitous class in our large cities, and under the present law it has been exposed to the competition of the lower-paid labor of Europe.

MARBLE.

The reduction in rates proposed are 15 cents per cubic foot on block, rough or squared, and 10 cents per cubic foot on veined marble, sawed, dressed, &c. The ad valorem equivalents of the rates now imposed are about 57 per cent. and 55 per cent. respectively. The rates proposed appear to be fully sufficient upon a raw material so largely used in the country.

SALT.

It is proposed to reduce the rate on this article in packages from 12 cents per 100 pounds to 10 cents per 100 pounds, and in bulk from 8 cents to 4 cents per 100 pounds. Ten cents per 100 pounds on salt in packages, would be equal to 33⅓ per cent. ad valorem, and 4 cents per 100 pounds on bulk salt would be equal to about 43 per cent. ad valorem. This would seem to be a sufficient duty to be imposed on an article of universal consumption.

DISTILLED SPIRITS, ALCOHOL.

If section 7 of the bill should become a law it would greatly benefit all the manufacturing industries producing articles in which distilled spirits, or alcohol, is a component, and would soon increase considerably the home market for distilled spirits, or alcohol, for these uses. It would also result in large reductions in the importations of foreign articles, made wholly or in part from distilled spirits or alcohol, as our manufacturers would supply the home demand at considerably reduced prices; at the same time very material reductions in rates of duty on a great many articles (chiefly in Schedule A, Chemicals) could be made.

DRAWBACK ON SUGAR AND MOLASSES.

The proviso to section 11 of the bill restricting the allowance of drawback on sugar and molasses to the amount of duty collected by polariscopic test would operate to prevent abuses from the allowance of more drawback than the duty collected. Nothing could be more rational or just than to apply the same test in both cases, and to restrict the allowance in any case to the amount of duty collected on sugar testing 100°, which is the highest possible percentage of saccharine strength. At present the highest rate of duty collectable on sugars by the polariscopic test is $2.40 per 100 pounds; yet, under existing drawback regulations, the drawback allowed upon hard refined sugar, which can not test above 100°, is $2.82 per 100 pounds, or 42 cents per 100 pounds more than could have been collected upon the same amount of saccharine matter when imported.

INCREASE OF CUSTOMS REVENUE.

Attention has been directed to the increase of customs revenue received during the fiscal year just closed, as compared with 1885. It may be interesting to some to know from what sources this increase of revenue came. An examination of the official reports for the ten months ending April, 1886, shows the increase to have come chiefly from the following articles:

INCREASE IN VALUE OF IMPORTATIONS.

Breadstuffs (chiefly barley)	$924,404
Bristles	159,878
Chemicals	1,347,678
Copper ore	68,000
Corsets	44,714
Cotton cloths	877,750
Embroideries, laces, &c	1,272,451
Fish	1,100,000
Fruits and nuts	860,000
Dressed furs, &c	900,000
Pig-iron	866,878
Iron ore	200,000
Steel rails (increase in tons over 1885, 3,587).	
Ingots, blooms, &c. (increase in pounds over 1885, 74,343,290).	
Tin plates (increase in pounds over 1885, 32,867,585).	
Wire rods	305,000
Precious stones	2,100,000
Leather	900,000
Kid gloves	520,000

Tobacco (increase in pounds over 1885, 3,472,159).
Wines $452,303
Vegetables, pickles, &c 643,638

Wools, classes 1 and 2: Increase in pounds, 31,650,746 over first ten months of 1885.

Wools, class 3: Increase in ten months of 26,805,998 pounds. This is a total increase of 58,457,744 pounds of all classes, or more than double the importations for same period in 1885.

Manufactures of wool: Increase in value in ten months, $3,673,145. This vast increase is chiefly in yarns, worsted coatings, and women's and children's dress goods.

The bill is designed to reduce especially the importations of these very articles, from the importation of which our domestic manufacturers, as well as wool-growers, are suffering so much. The bill would also largely reduce the importations of wool of class 3, a large proportion of which were of Donskoi, which it is claimed was "scoured," and competes with much of our domestic wool.

According to these figures, over $5,000,000 of the increased duties collected during the fiscal year just closed was derived from wool and manufactures of wool.

In the preparation of this bill touching customs duties, I have counseled with many of the acknowledged experts of the country on the subject of tariff legislation, and paid strict attention to the utterances of the convention which placed Mr. Cleveland as a Presidential candidate before the American people.

The bill is not as full a revision as is desired, yet the effort is made in that direction. While its provisions prevent the building up of one American industry at the expense of another, it uses the necessity of taxation to guard the labor of this country against the lower-paid labor of the countries with which we trade, especially Great Britain, and to avoid "an increasing flood of manufactured goods." An effort is at the same time made to relieve our people from the "crushing war taxes which have paralyzed business, crippled industry, and deprived labor of employment and of just reward."

The measure proposed realizes "that legislation affecting the operations of the people should be cautious and conservative in method, not in advance of public opinion but responsive to its demands," and to do only what the party to which I belong is pledged, "to revise the tariff in a spirit of fairness to all interests," and "that in making reduction in taxes it is not proposed to injure any domestic industries, but rather to promote their healthy growth."

In the effort to reduce the amount of taxes collected from the people through the internal-revenue laws the fact is realized that "from the foundation of this Government taxes collected at the custom-house have been the chief source of Federal revenue," and that "such they must continue to be."

I desire to call back the mind of the House of Representatives to the fact, as stated in the Democratic platform of 1884, where it asseverated that "many industries have come to rely upon legislation for successful continuance, so that any change of law must be at every step regardful of the labor and capital thus involved. The process of reform must be subject in the execution to this plain dictate of justice," and that "the necessary reduction in taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor, and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country."

In the preparation of the bill the effort has been made to adhere rigidly to the foregoing pledges given to the American people and upon which success came to the party making them after an absence from power of a quarter of a century. The same party platform said that "the system of direct taxation known as the internal revenue is a war tax," and impliedly gave assurance of its early repeal, and that while it continued it should be devoted to the payment of the burdens of the war. It is now far in excess of the amount necessary to pay the pension-list, and its repeal in part should come at an early day. The fair construction of the platform from which such full quotation has been made means this if it means anything.

The principle recognized in this bill I believe to be in harmony not only with the national platform of the party to which I belong, adopted at Chicago in 1884 on this subject, but to be also in accordance with the utterances of Mr. Cleveland during his canvass—notably when, at Newark, N. J., on October 28, 1884, he used the following language:

When we consider the city of Newark we find a municipality ranking as the fourteenth in population among all the cities of the land. It leads every other city in three important industries; it is second only in another, and third in still another.

Of course all those industries necessitate the existence of a large laboring population. This forms, in my opinion, a further element of strength and greatness in the state. No part of the community should be more interested in a wise and just administration of their government, none should be better informed as to their needs and rights, and none should be guarded more vigilantly against the smooth pretenses of false friends.

In common with all other citizens, they should desire an honest and economical management of public affairs. It is quite plain, too, that the people have a right to demand that no more money should be taken from them, directly or indirectly, for public uses than is necessary for this purpose. Indeed, the right of the Government to exact tribute from the citizen is limited to its actual necessities; and every cent taken from the people beyond that required for their protection by the Government is no better than robbery. We surely must condemn, then, a system which takes from the pockets of the people millions of dollars not needed for the support of the Government and which tempts to the inauguration of corrupt schemes and extravagant expenditures.

The Democratic party has declared that "all taxation shall be limited by the requirements of economical government." This is plain and direct. And it distinctly recognizes the value of labor and its right to governmental care when it further declares that the necessary reduction in taxation and the limitation thereof to the country's needs should be effected without depriving American labor of the ability to compete successfully with foreign labor and without injuring the interests of our laboring population.

At this time, when the suffrages of the laboring men are so industriously sought, they should, by careful inquiry, it seems to me, discover the party pledged to the protection of their interests, and which recognizes in their labor something most valuable to the prosperity of the country and primarily entitled to its care and protection. An intelligent examination will lead them to the exercise of their privileges as citizens in furtherance of their interests and the welfare of their country. An unthinking and slothful performance of their duty at the ballot-box will result in their injury and betrayal.

I may be permitted to quote from President Cleveland's annual message to Congress, wherein he made use of the following language on the subject of tariff legislation:

The fact that our revenues are in excess of the actual needs of an economical administration of the Government, justifies a reduction in the amount exacted from the people for its support. Our Government is but the means established by the will of a free people, by which certain principles are applied which they have adopted for their benefit and protection; and it is never better administered and its true spirit is never better observed than when the people's taxation for its support is scrupulously limited to the actual necessity of expenditure, and distributed according to a just and equitable plan.

The proposition with which we have to deal is the reduction of the revenue received by the Government, and indirectly paid by the people for customs duties. The question of free trade is not involved, nor is there now any occasion for the general discussion of the wisdom or expediency of a protective system.

Justice and fairness dictate that in any modification of our present laws relating to revenue, the industries and interests which have been encouraged by such laws, and in which our citizens have large investments, should not be ruthlessly injured or destroyed. We should also deal with the subject in such manner as to protect the interests of American labor, which is the capital of our workingmen; its stability and proper remuneration furnish the most justifiable pretext for a protective policy.

My views heretofore expressed on this floor as to the propriety of a gradual repeal of our internal-revenue system have undergone no change, and I may be allowed at this time to repeat my remarks and renew citations made at the time to which I allude:

With Albert Gallatin I have regarded the excise or internal-revenue taxes as offensive to the genius of our people, and tolerated by the framers of the Constitution only as a measure of necessity in the emergency of war, and that just so soon as the occasion for them had passed away they should cease to exist. He and Thomas Jefferson, as the very first act of Jefferson's administration, secured a repeal of internal taxes and relieved the people from their inequality, inquisitorial annoyances, and hordes of officials clothed with dangerous powers. Only in these latter days have I heard men calmly claim these war taxes are still necessary—a generation after the war which gave rise to them had closed. And it is a very suggestive and suspicious feature of the affair that those upon whom the tax is laid clamor loudly against its being taken off, regarding it no doubt as a protection against competition to the large monopolies.

To substantiate the ground taken by me in that letter, I will refer to two authorities. I will read first from Blackstone's Commentaries (book 1, pages 317–318) to show excise is a war tax:

But at the same time the rigor and arbitrary proceedings of excise laws seem hardly compatible with the temper of a free nation. For the frauds that might be committed in this branch of the revenue, unless a strict watch is kept, make it necessary, wherever it is established, to give the officers the power of entering and searching the houses of such as deal in excisable commodities at any hour of the day, and, in many cases, of the night likewise. And the proceedings in case of transgression are summary and sudden.

* * * * * * *

However, its "original establishment was in 1643, and its progress was gradual, both sides protesting it should continue no longer than to the end of the war, and then be utterly abolished. * * * But from its first origin to the present time its very name has been odious to the people of England." It has been kept up, however, to supply the enormous sums necessary to carry on the continental wars of Europe.

So believed Jefferson; and let us next see what he did. I read from Schouler's History of the United States, volume 2, page 21:

In economy and retrenchment the President had already made a beginning by reducing the diplomatic establishment and consolidating some revenue offices subject to executive control. The movement now contemplated was to abolish that whole system of internal taxation, which he had heartily detested as tyrannous, burdensome, and liable to abuse of patronage, which had always been unpopular in the Middle and Southern country, and which cost more than the first three years' net produce to put down resistance to its collection. But excise receipts had risen gradually to the neighborhood of $1,000,000, and many feared that the Treasury would suffer if this resource was suddenly cut off. Jefferson had, however, gone over the ground carefully with Secretary Gallatin; against the present yield of the internal taxes they set off what the Government might safely economize elsewhere. Customs duties alone would, as they correctly surmised, supply a revenue sufficient to support the Federal establishment, and, besides paying interest on the public debt, extinguish its principal, should peace continue, in fifteen or eighteen years. Federalists were incredulous, and those with friends in place tried to induce a repeal only partial at most, but the ax was laid to the root, and with the downfall of this system went about half the offices at the disposal of the administration.

The Committee on Ways and Means of this House either by silence or else by adverse reports have given to the country no hope of a release from any of these internal taxes. We must therefore look to the body of this House for relief from the "burdens" of this character of taxation. These taxes are offensive and dangerous.

Our people have become accustomed to import duties; it has proved to be the easiest, safest, and best method of taxation; it causes no friction or comparatively little.

Those who seek the repeal of internal taxes are in accord with our Democratic platforms since the war, and especially in harmony with the Democratic party utterances in the great States of Virginia, Ohio,

North Carolina, New Jersey, West Virginia, and Pennsylvania, and I believe in these respects it is our "bounden duty with honorable alacrity to do exactly what we promised."

I am unable to find in any of our party declarations anything like approval of "a firm first step toward free trade, with attendant internal and direct taxation." These declarations are all in favor of building our tariff laws upon the principle of incidental protection to American labor and American industry.

When I consider the extent of this country, the diversity of its resources, the industry and energy of its people, the greatness and value of its products, its rapid growth and solid prosperty, I rejoice it is so great. Political doctrinaires have issued their mandates, and the country has been told it would perish if they were not obeyed. But the country has gone on growing greater every year. Even a civil war was powerless to stay its progress. On the contrary, with a power which seemed to be born of its difficulties, overleaping all barriers, the country has placed itself among the first nations of the world. To-day it dominates a continent, and everywhere within its borders are people peacefully engaged in developing their material interests. Guided by experience, true to the instincts of our history, faithful to their own land and its traditions, with habits of industry and frugality, the future is secure.

In the way of needed revenue legislation a proposition was submitted by me to the House In due course it was referred to the Committee on Ways and Means. It was reported back adversely, and the report which accompanied it was disfigured by an affectation of superior knowledge and judgment, and by personalities which would be out of place in a stump speech.

Dismissing further notice of these characteristics of the report, I shall proceed calmly to review the legitimate objections which are made to the subject-matter of that bill.

It is alleged that I was inconsistent in having within half a month introduced a bill to reduce excessive revenues and in informing the House that there would be no excessive revenues to reduce. It is true that I did warn the House against making such extravagant appropriations as would render it impracticable, if not impossible, for us to fulfill our pledges to the country to reduce the volume of Federal taxation and afford an excuse for the passage of some tariff measure which, by sweeping and radical reduction of rates and the substitution of easily evaded ad valorem for specific duties, would flood the country with importations, thereby not only largely increasing the revenue, but tending to extravagant expenditures; at the same time destroying domestic industry and draining the country of money to pay for foreign goods.

It is also true that within a short time of giving that warning I did introduce a measure calculated, as I think and believe, to reduce the revenue some $40,000,000. I am charged with proposing to reduce the revenue to such an extent as to produce a deficit, and yet in the next breath my measure is condemned because it does not relieve the burden of Federal taxation sufficiently; and it is stated that it does not comprehend a method whereby taxation may be reduced and removed without diminishing the revenue. I am not blind to the fact that according to the views entertained by the majority of the Committee on Ways and Means the reduction of rates of duty on foreign products is equivalent in all cases to a removal of tax or burden on the people.

This theory is perhaps correct so far as it relates to articles which are not successfully produced or which can not be successfully produced in this country, but not correct as a rule in regard to articles which are or can be successfully produced by our people. For example, a reduction of say 10 per cent. in the rate of duty on an article may stop its production entirely in the United States, drive the labor employed upon it into other pursuits, and thus enable the foreign producer to control our market and make the consumers of the country pay a large percentage more for the article than before the duty was reduced. Thus a reduction in the rate of duty would amount to a tax and burden on our people instead of proving a measure of relief.

It will not be forgotten that early in the present session the chairman of the Committee on Ways and Means introduced an elaborate tariff bill, a prominent feature of which was a reduction of rates on articles in the metal schedules. In the measure introduced by me, I adopted substantially the rates proposed in the chairman's bill on a large number of those articles, yet the report characterizes these as "few and unimportant," such as "may well be made when the condition of the Treasury justifies it." Included in these "few and unimportant" articles are iron and steel railway bars, railway fish-plates, steel wheels and tires for locomotives, iron or steel ingots for railway purposes, beams, girders, joists and other structural iron and steel manufactures, sheet-iron, horseshoe nails, lead, zinc, and various other articles concerning the rates about which we have heard more complaint than about almost anything else on the dutiable list.

Why did not the chairman of the Committee on Ways and Means discover that these were "few and unimportant" before he introduced the bill that he was so long in preparing? If the bill did all he proposes, he is not the one who can object.

There are some fifty articles of constant, necessary, and important use, on which the bill introduced proposed to reduce the rates of duty, and on which the existing rates range from the equivalent of about 46 to 180 per cent. ad valorem, averaging about 70 per cent. I considered these rates too high. They could be reduced in the interest of the consumers without hurt to labor and without injury to capital other than a reduction of profits on the money so invested. Important among these articles are steel rails, the proposed reduction on which (calculating the annual production at 1,300,000 tons) would amount to a saving of $6,000,000 annually to the consumers, provided the demand (as would be probable) forced the price up to the extent of the duty imposed, and to a point where the foreign manufacturer could not successfully compete.

I am charged with having introduced a measure of "protection for the sake of protection," when, as a matter of fact, I propose to reduce largely excessive protective rates on some fifty imported articles, to increase the rates on but a few, to a point only where the taxing power would secure their successful production in this country, so as to relieve us in peace or war from dependence on Europe, give home labor employment, and finally give better articles to our consumers at less cost.

The majority of the Committee on Ways and Means propose to reduce the revenue or entirely remove duties on such articles only as now enter into severe competition with domestic productions, while they decline to to reduce much higher and purely protective rates on other articles. So that, with all their revenue-reform, they themselves, are found in the attitude of favoring protection for protection's sake. They leave untouched protective duties ranging from an equivalent of 53 to 181 per cent. ad valorem on such articles as iron and steel rails, fish plates, horseshoe nails, iron and steel girders and joists, iron and steel ingots for railway purposes, lead and manufactures of lead, zinc, iron and steel wire, wire netting and wire rope, whiting, castor oil, block marble, and a variety of common paints. Yet they reduce the rates on manufactures of wool, cotton, hemp, and flax, which pay the equivalent of only from 25 to 80 per cent. ad valorem, the importations of which are immense and constantly increasing. They propose to exempt from duty wools paying on the average the equivalent of from 25.41 to 45.32 per cent. ad valorem, and flax and hemp paying on an average the equivalent of only about 9 per cent. ad valorem. Yet they do not disturb the rates on such other agricultural products as rice, peanuts, castor beans, and hops, which pay an equivalent respectively of 90, 78, 48, and 31 per cent. ad valorem.

The adverse report alleges that the bill introduced by me "so largely increases the tax on woolen cloths and goods as to further prevent importations from abroad and to add to the cost of woolen clothing at home," whereas, in point of fact, the bill reduces taxes on woolen cloths by lowering the minimum of value from 80 cents per pound to 60 cents per pound, and by reducing the pound rate thereon from 35 cents to 30 cents. The only articles in the schedule of wool manufactures in which the bill increases the rate are worsted cloths and wearing apparel. This is done to correct two glaring and most hurtful inequalities of the present tariff, one of which places the finer and more popular article—worsted cloths—at lower rates than are imposed on the coarser article—woolen cloths—both of which are made from wool and in instances from the same kind of wool. The other imposes practically the same rate of duty on ready-made clothing as on the cloth from which it is made—a positive discrimination in favor of foreign production as against domestic industry. The worsted-cloth industry of this country is being destroyed under existing law, because of these unequal rates, and consequent enormous importation of such articles, which increased in value nearly $4,000,000 during the fiscal year just closed, over the fiscal year of 1885. The importations of ready-made wearing apparel are constantly increasing, and the wages of our tailors and seamstresses are being lowered.

Every intelligent man knows, and every honest one will admit, that under the tariffs of the past twenty-five years the cost to the consumer of the manufactures of wool has been vastly reduced; and the manufactures were never so good and so cheap as now. It is a fact well known that the ad valorem features of the combined rates on manufactures of wool have been quite largely evaded of late years, thereby largely depriving our domestic manufacturers of the defense against the cheap labor of the Old World which these rates were intended to secure. Nevertheless, the highest rate of duty imposed by the bill reported favorably to the House by the Committee on Ways and Means on manufactures of wool, is 35 per cent. ad valorem, which, if honestly collected, would properly compensate for the difference in cost of labor between this country and Europe, as to some articles, while as to many, including wearing apparel, it would not be sufficient.

The proposition presented in the committee's bill to levy a uniform ad valorem rate on the widely-varying articles embraced in the schedule of manufactures of wool can neither be fairly explained nor defended. The same rate is laid on the "poor man's blanket" as on the fine made-up garments of the rich. The same rate is laid on yarns as on fine cloths and ready-made clothing. The same rate is laid on shoddy cloths as on such fancy articles as fringes, galloons, gimps, cords, tassels, and ladies' head wear. It may be contended that under a uniform ad valorem rate the article would pay duty according to its value or the amount of labor bestowed upon it. This does not, however, meet the case, for

it not only puts the labor of this country at an actual disadvantage with the labor of Europe, but it subjects us to a further injury from the undervaluation of the foreign article in proportion to its price.

The effect of the bill reported favorably would be to close many of our mills. It would inevitably throw out of employment a large number of tailors and sewing-women now employed in the large clothing establishments of the country. It might almost be said that it would be a measure of protection to foreign labor and foreign capital. I believe that the men interested in important Southern agricultural industries, and who ask the continuance of rates in the interest of their agricultural products, should be ready to accord as many necessary though lower rates to their brother agriculturists in other sections of the country.

It is objected that the bill introduced by me only changes the rate of duty or tax on articles yielding less than one-tenth ($17,000,000) of the $181,000,000 received from customs during the fiscal year 1885. This is an objection to the extent rather than to the quality of the measure. In other words, the committee think the bill too small. The bill was a modest measure, and, as I have already said, was not considered as a complete and perfect measure of tariff revision, but merely a fair step in the right direction. If the committee had carefully considered the bill itself, instead of merely consulting the tabular statement accompanying it, they would have found that it proposed changes or reductions of duties on articles which yielded more than $40,000,000 of customs revenue in 1885. They altogether overlooked the fact that the recommendations of Acting Secretary Fairchild respecting changes in rates on silks, leather gloves, laces, and embroideries, as well as Mr. HEWITT'S proposition relating to tobacco, hatter's trimmings, wearing apparel and personal effects, cartons, coverings, and other articles not included in the tabular statement, were made part of the bill which they condemned.

The Committee on Ways and Means claim to be the champion of free raw material for use in all our manufacturing industries; yet these gentlemen object seriously to my proposition to relieve from internal taxes domestic distilled spirits used in the arts, such as productions of coal-tar, dye-stuffs, varnishes, paints, patent medicines, medicinal preparations, and a vast line of other medical productions, for the purchase of which many millions of dollars are annually sent out of the country, and which without the tax on spirits used in their production would be made at home, and large quantities might be exported.

The adverse report estimates the internal-revenue tax on spirits that would be thus used at $10,000,000 annually. If this be so, it is a greater burden by one-half on domestic industries to our consumers than the much-talked-of customs on wool, hemp, jute, manila, and all other fibrous compounds, the duties on all of which amounted to $5,111,555.35 during the fiscal year 1885. The rate of duty on these articles ranges only from an equivalent of 7 to 46 per cent. ad valorem, while on a barrel of distilled spirits, of say, 46 gallons, costing $95.22, or $2.07 per gallon, the internal taxes equal, say, $77.40, leaving only $17.82 as the untaxed value of that raw material. The estimates of the committee, however, as to the amount of the tax on spirits that would be used in the arts are purely conjectural. I question if they have any reliable data going to show that $10,000,000 would be the amount. I think it would be a much less sum.

The reference in the report to my proposition to levy a specific duty of 1 cent per pound instead of the 35 per cent. ad valorem on cotton ties or hoops for baling purposes, I beg to notice. I assert that the adoption of the proposed rate would not increase the cost to the consumer nor reduce the price received by the producer for his cotton. If the proposed rate were adopted it would secure the revenues from fraud, and would enable our iron manufacturers in Alabama and elsewhere South, as well as in the North, to make the article and supply it to consumers at less than the cost of ocean freight, exchange, commission, &c. The same is true as to other descriptions of iron and steel and other articles the rates on which it is proposed to change from ad valorem to specific, and which show an apparent advance based on ad valorem equivalents, because the articles have been enormously undervalued. Those who seek free trade in the United States are uniformly opposed to specific duties.

The Committee on Ways and Means warmly favor ad valorem rates, and have stoutly antagonized the recommendations in the direction of specific duties so urgently made by Secretary Manning and acting Secretary Fairchild. They have likewise hindered the passage of the admirable administrative measure proposed by Mr. HEWITT and approved by the Secretary of the Treasury. This opposition is without justification. The adoption of those features would render customs taxes less disagreeable by putting a stop to fraud, insuring an honest collection of the revenue, and diverting importations from dishonest representatives of foreign houses to honest and legitimate distributing merchants throughout the country.

I do not impute any motive lacking in patriotism to those who refuse to permit the separate enactment of those administrative clauses of the bill reported from the Committee on Ways and Means, but I can not shut my eyes to the fact that a majority of the Committee on Ways and Means seem to have determined that unless their own peculiar views can be incorporated into law in regard to customs taxation, and a continuance of the internal-revenue system without reduction or modification, they will prevent any reform in this connection.

The adverse report on the bill I introduced has been and probably will be extensively circulated as far as possible to impress the public mind in the direction of its views. I do not object to that, for I have every confidence that when judgment is made up between these two propositions the conservative plan proposed by me, which is really in harmony with our party utterances and with the traditions of our history, will receive the approval of an intelligent people.

APPENDIX A.

That the wool interest of the United States may be more fully understood and that "legislation affecting" this great industry "should be cautious and conservative in method" and "in a spirit of fairness," I have caused to be compiled the following statistics on the subject:

SHEEP AND WOOL.

The wool interest of the United States is extremely sensitive to changes in the tariff. The tariff on raw wool as imposed at different periods in the history of the Government is shown in the following table of rates from the quarterly report of the Chief of the Bureau of Statistics, No. 3, 1884–1885, page 566.

Rates of duty imposed on wool by the various acts of Congress from 1789–1883.

Date of act of Congress.	Date on which tariff went into effect.	Rates of duty
July 4, 1789	July 4, 1789	Free.
Apr. 27, 1816	July 1, 1816	15 per cent. ad valorem.
May 22, 1824	July 1, 1824	Value not exceeding 10 cents per pound, 15 per cent. ad valorem.
	July 1, 1824	Value exceeding 10 cents per pound, 20 per cent. ad valorem.
	June 1, 1825	25 per cent. ad valorem.
	June 1, 1826	30 per cent. ad valorem.
May 19, 1828	Sept. 1, 1828	4 cents per pound and 40 per cent. ad valorem.
	July 1, 1829	4 cents per pound and 45 per cent. ad valorem.
	July 1, 1830	4 cents per pound and 50 per cent. ad valorem.
July 14, 1832	Mar. 3, 1833	Value not over 8 cents per pound, free.
		Over 8 cents per pound, 4 cents per pound and 40 per cent.
Mar. 2, 1833	Jan. 1, 1836	Not over 8 cents per pound, free.
		Over 8 cents per pound, 4 cents per pound and 38 per cent.
	Jan. 1, 1838	Over 8 cents per pound, 4 cents per pound and 36 per cent.
	Jan. 1, 1840	Over 8 cents per pound, 4 cents per pound and 34 per cent.
	Jan. 1, 1842	Over 8 cents per pound, 4 cents per pound and 27 per cent.
	July 1, 1842	Over 8 cents per pound, 4 cents per pound and 20 per cent.
Aug. 30, 1842	Aug. 30, 1842	Value not over 7 cents per pound, 5 per cent. ad valorem.
		Over 7 cents per pound, 3 cents per pound and 30 per cent.
July 30, 1846	Dec. 1, 1846	Thibet, Angora, and other goats' hair or mohair, 20 per cent. ad valorem.
		All other 30 per cent. ad valorem
Mar. 3, 1857	July 1, 1857	Value of 20 cents per pound and less, free.
		Angora, Thibet, &c., over 20 cents, 15 per cent.
		All other over 20 cents, 24 per cent.
Mar. 2, 1861	Apr. 1, 1861	Sheep-skins with wool on, 15 per cent.
		Value less than 18 cents per pound, 5 per cent.
		18 cents and not over 24 cents per pound, 3 cents per pound.
		Over 24 cents, 9 cents per pound.
June 30, 1864	July 1, 1864	Sheep-skins with wool on, 20 per cent.
		Value per pound 12 cents or less, 3 cents per pound.
		Over 12 cents and not over 24 cents, 6 cents per pound.
		Over 24 cents and not over 32 cents, 10 cents per pound and 10 per cent. ad valorem.
		Over 32 cents, 12 cents per pound and 10 per cent. ad valorem.
		Wools scoured treble the amount of duty.
Mar. 2, 1867	Mar. 2, 1867	Clothing wools, 32 cents or less, 10 cents per pound and 11 per cent. ad valorem.
		Over 32 cents, 12 cents per pound and 10 per cent. ad valorem.
		Washed, twice the amount of duty.
Mar. 2, 1867	Mar. 2, 1867	Combing wool, 32 cents or less, 10 cents per pound and 11 per cent. ad valorem.
		Over 32 cents, 12 cents per pound and 10 per cent. ad valorem.
		Carpet wool, 12 cents or less, 3 cents per pound.
		Over 12 cents, 6 cents per pound.
		All classes scoured, treble duty.
		Sheep and goat skins with wool on, 30 per cent. ad valorem.
July 14, 1870	Jan. 1, 1871	Wools on skin, to be dutiable at the same rate as other wools.
June 6, 1872	Aug. 1, 1872	Reduction of 10 per cent. on all duties.
Mar. 3, 1875	Mar. 3, 1875	Rates under tariff of March 2, 1867, restored.
Mar. 3, 1883	July 1, 1883	Clothing wools, value of 30 cents or less, 10 cents per pound.
		Over 30 cents, 12 cents per pound.
		Washed, twice the amount of duty.
		Combing wools, value of 30 cents or less, 10 cents per pound.
		Over 30 cents, 12 cents per pound.
		Carpet wools, value of 12 cents or less, 2½ cents per pound.
		Over 12 cents, 5 cents per pound.
Mar. 3, 1883	July 1, 1883	Wools of all kinds scoured, treble the amount of duty.
		Wools on the skin same as other wools.

It will be observed that on August 1, 1867, all duties on wool were reduced 10 per cent. March 3, 1875, the rates of eight years before were restored. Under these rates the number of sheep in the country increased year by year until the effect of the tariff of 1883 began to be manifest. In 1880 the number of sheep in the United States corresponded to the number given as fleeces for each State in the following table, which also gives the amount of wool produced in each State:

Spring clip of wool for 1880.

[From United States census report.]

States and Territories.	Fleeces.	Weight.
	Number.	*Pounds.*
United States	35,192,047	155,681,751
Alabama	374,528	762,207
Arizona	76,524	313,098
Arkansas	246,757	557,368
California	4,152,349	16,798,036
Colorado	746,443	3,197,391
Connecticut	59,431	230,133
Dakota	30,244	157,025
Delaware	21,967	97,946
Florida	56,681	162,810
Georgia	527,589	1,289,560
Idaho	27,326	127,149
Illinois	1,037,073	6,093,066
Indiana	1,106,511	6,167,498
Iowa	455,359	2,971,975
Kansas	499,671	2,855,832
Kentucky	1,000,269	4,592,576
Louisiana	135,631	406,678
Maine	565,918	2,776,407
Maryland	171,184	850,084
Massachusetts	67,979	299,089
Michigan	2,189,389	11,858,497
Minnesota	267,598	1,352,124
Mississippi	287,694	734,643
Missouri	1,411,298	7,313,924
Montana	184,277	995,484
Nebraska	199,453	1,282,656
Nevada	133,695	655,012
New Hampshire	211,825	1,060,589
New Jersey	117,020	441,110
New Mexico	2,088,831	4,019,188
New York	1,715,180	8,827,195
North Carolina	461,638	917,756
Ohio	4,902,486	25,003,756
Oregon	1,083,162	5,718,524
Pennsylvania	1,776,598	8,470,273
Rhode Island	17,211	65,680
South Carolina	118,889	272,758
Tennessee	672,789	1,918,295
Texas	2,411,633	6,928,019
Utah	233,121	973,246
Vermont	439,870	2,551,113
Virginia	497,289	1,836,673
Washington	292,883	1,389,123
West Virginia	674,769	2,681,444
Wisconsin	1,336,807	7,016,491
Wyoming	140,225	691,650

Not including the following items, the result of special investigations: Texas and California fall clip of sheep reported on farms, 13,000,000 pounds; wool of other (ranch) sheep, 31,000,000 pounds; pulled wool and fleece of slaughtered sheep, 38,000,000 pounds; making an aggregate of 240,681,751 pounds.

A decrease in the number of sheep begins to show itself in the returns of 1885. In the report on the number and values of farm animals for January and February, 1885 (Agricultural Department), it is said that—

"There has been no increase of sheep husbandry. A small falling off is indicated 'in the farming States.' Only Connecticut, New Jersey, Delaware, Maryland, the Carolinas, Alabama, Kansas, and Nebraska, of all the farming States, hold the numbers of a year ago. Nebraska and Kansas are both agricultural and pastoral, and have made advances on the pastoral side, taking flocks from the extreme East. It is said that at least one-third of the flocks of Washington County, Pennsylvania, have been sent from the State, many going across the Missouri River. Our correspondent makes the loss 60 per cent. The slight reduction of the wool tariff has sent hundreds of thousands of sheep to the butcher or the range. Hon. G. V. Lawrence, Representative of that district in Congress, says:

"'The reduction of the tariff on wool by the act of Congress, near the close of the Forty-seventh Congress, in 1883, had a most injurious effect on this industry. The estimate of loss to the farmer on the wool crop of that year for our county alone was from $90,000 to $100,000 by the reduction in price. This discouraged many who had flocks, and they sold them and purchased cattle, and last fall prices continued so low that there was no profit to the wool-grower, and I have little doubt the number of sheep will still continue to decrease under the general depression, and I think this extended and important industry will ultimately be abandoned (or nearly so), unless a higher duty is placed on foreign wool than the present rate.'" (Page 4.)

The following exhibit shows the aggregate relations for the United States, as derived from the same authority:

Years.	Number of sheep.	Value.
1884	50,626,626	$119,902,706
1885	50,360,243	107,960,650
Decrease	266,383	11,942,056

This shows a loss in numbers of about one-half of 1 per cent., and a loss in values of a little over 9 per cent.

The following table is compiled from the report already cited, and brings sharply into view the changes in detail by States:

Table showing the estimated numbers of sheep on farms, &c., January and February, 1885.

States and Territories.	Per cent.*	Number.	Average price.	Value.
Maine	95	548,374	$2 34	$1,283,195
New Hampshire	96	201,299	2 54	511,299
Vermont	86	385,892	2 96	1,142,240
Massachusetts	98	67,959	3 51	238,536
Rhode Island	99	20,866	3 79	79,082
Connecticut	101	59,419	3 68	218,662
New York	98	1,697,685	3 47	5,890,967
New Jersey	102	119,348	3 99	476,199
Pennsylvania	85	1,486,851	3 10	4,609,238
Delaware	102	22,519	3 46	77,916
Maryland	100	172,022	3 65	627,880
Virginia	98	477,450	2 62	1,250,919
North Carolina	108	488,350	1 37	669,040
South Carolina	101	117,641	1 76	207,048
Georgia	98	532,547	1 49	793,495
Florida	99	97,951	1 76	172,394
Alabama	100	343,925	1 47	505,570
Mississippi	96	281,738	1 52	428,242
Louisiana	97	121,234	1 68	203,673
Texas	95	7,558,461	1 95	14,738,999
Arkansas	99	225,020	1 64	369,033
Tennessee	97	635,558	1 79	1,137,649
West Virginia	95	637,665	2 23	1,421,993
Kentucky	97	950,761	2 66	2,529,024
Ohio	98	4,900,035	2 50	12,250,088
Michigan	98	2,364,174	2 69	6,359,628
Indiana	98	1,122,184	2 38	2,670,793
Illinois	97	1,093,101	2 41	2,634,373
Wisconsin	96	1,282,947	2 19	2,809,654
Minnesota	99	272,708	2 56	698,132
Iowa	95	472,303	2 48	1,171,311
Missouri	93	1,338,623	1 79	2,396,135
Kansas	102	838,143	1 93	1,617,616
Nebraska	112	373,894	2 11	788,916
California	95	5,892,911	1 89	11,137,602
Oregon	98	2,519,950	1 61	4,057,120
Nevada	110	423,885	1 92	813,859
Colorado	95	1,185,942	1 86	2,205,852
Arizona	105	853,335	1 90	1,621,337
Dakota	101	183,820	2 39	439,330
Idaho	102	191,250	2 30	439,875
Montana	134	625,000	2 46	1,537,500
New Mexico	122	5,410,944	1 64	8,873,948
Utah	110	620,730	2 12	1,315,948
Washington	117	533,875	2 38	1,270,623
Wyoming	102	609,960	2 08	1,268,717
Total		50,360,243	2 14	107,960,650

*Total number compared with January, 1884.

Mr. J. R. Dodge, the Statistician, further says (page 5):

"Last year an increase was reported in the value of all farm animals except sheep and swine. In this return there is a decline in all values, in sympathy with the general depreciation, and as to sheep an additional depreciation on account of the change in the wool tariff." * * *

If we now turn to the estimates of the Agricultural Department as shown in the report on the numbers and values of farm animals for January and February, 1886, we shall find the decrease indicated the year before enormously greater, and we shall see that the transfer of the wool interests from the farming States with their careful methods and corresponding results to the wide ranges of the extreme West with their more wholesale methods and corresponding results is greatly emphasized. This report furnishes material for the following exhibit:

Decrease in number and value.

Years.	Number of sheep.	Value.
1885	50,360,243	$107,960,650
1886	48,322,331	92,443,867
Decrease	2,037,912	15,516,783

Mr. J. R. Dodge, the Statistician of the Department, thus sums up the situation for the year:

"Coming to sheep, it must be observed that sheep husbandry is in a period of deeper depression than any other animal industry of the country. The results of this inquiry manifest a loss of about two million sheep. The industry has been peculiarly susceptible to adverse influences, feeling keenly any depression of prices of wool. Values of both wool and mutton have been low, and flocks have been slaughtered in the farm States, or sent West to cheaper pasturage. It is estimated that Pennsylvania has lost in one year a fifth of her flocks, or nearly three hundred thousand sheep. The loss is the more serious, as it falls mainly on a region peculiarly adapted by its grasses and irregularities of surface for sheep farming, which has long stood in the forefront of improvement in wool-growing. The decline is almost universal east of the Mississippi.

"The ratio of loss will be seen to have rapidly increased as regards numbers of sheep, the per cent. of decrease for 1884 or to January, 1885, having been near one-half of 1 per cent., while for 1885 or to January, 1886, it was eightfold as great, or 4 per cent."

The following details by States are taken from the same report:

Table showing the estimated numbers of sheep on farms, &c., January and February, 1886.

States and Territories.	Per cent.*	Number.	Average price.	Value.
Maine	98	537,407	$2 15	$1,156,771
New Hampshire	97	195,260	2 45	478,387
Vermont	98	378,174	2 86	1,082,031
Massachusetts	95	64,561	3 04	196,104
Rhode Island	98	20,449	3 75	76,684
Connecticut	90	53,477	3 25	173,575
New York	94	1,595,824	3 06	4,875,243
New Jersey	90	107,413	3 76	403,851
Pennsylvania	80	1,189,481	2 68	3,187,809
Delaware	99	22,294	2 80	62,368
Maryland	98	168,582	3 08	519,739
Virginia	97	463,127	2 24	1,035,922
North Carolina	96	468,816	1 28	600,084
South Carolina	96	112,935	1 72	194,250
Georgia	94	500,594	1 46	730,868
Florida	93	91,094	1 65	150,305
Alabama	98	337,047	1 40	471,866
Mississippi	98	276,103	1 50	413,878
Louisiana	96	116,385	1 65	192,466
Texas	90	6,802,615	1 70	11,582,812
Arkansas	104	234,021	1 57	367,881
Tennessee	95	603,780	1 60	967,255
West Virginia	98	624,912	1 88	1,174,210
Kentucky	95	903,223	2 24	2,024,665
Ohio	97	4,753,034	2 09	9,918,156
Michigan	96	2,269,607	2 11	4,788,871
Indiana	97	1,088,517	2 10	2,288,607
Illinois	92	1,005,653	2 19	2,205,196
Wisconsin	95	1,218,800	1 89	2,305,969
Minnesota	102	278,162	2 21	615,294
Iowa	99	467,580	2 28	1,067,204
Missouri	96	1,285,078	1 48	1,908,340
Kansas	125	1,190,163	1 60	1,898,667
Nebraska	120	448,673	2 15	965,993
California	103	6,069,698	1 81	10,961,268
Oregon	98	2,469,551	1 47	3,618,139
Nevada	116	661,261	1 73	1,145,436
Colorado	95	1,126,645	1 77	1,994,162
Arizona	105	896,002	1 70	1,523,203
Dakota	118	253,672	2 24	568,226
Idaho	110	210,375	2 10	441,788
Montana	115	718,750	2 12	1,523,391
New Mexico	101	4,328,755	1 60	6,934,666
Utah	105	651,767	2 08	1,356,588
Washington	102	544,548	2 25	1,223,491
Wyoming	105	518,466	2 07	1,072,188
Total		48,322,331	1 91	92,443,867

Table showing the estimated numbers of sheep on farms, &c.—Continued.

* Total number compared with that of January, 1885.

The magnitude of the wool consumption of the United States is clearly manifest in the following table taken from the quarterly report, Bureau of Statistics, No. 3, 1884-'85, page 567.

Quantities of wool produced, imported, exported, and retained for consumption in the United States, from 1839 to 1884, inclusive.

Calendar year.	Production.	Year ended June 30—	Imports.	Total production and imports.	Exports.			Retained for home consumption.	Imports.
					Domestic.	Foreign.	Total.		
	Pounds.		*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Per cent.*
1839	35,802,114	1840*	9,898,740	45,700,854		85,528	85,528	45,020,578	21.7
1849	52,516,959	1850	18,695,294	71,212,253	35,898		35,898	71,176,355	26.3
1859	60,264,913	1860	26,282,935	86,547,848	389,512	133,493	523,005	65,749,635	30.4
1862	106,000,000	1863	75,121,728	181,121,728	355,722	708,850	1,064,572	180,057,156	41.1
1863	123,000,000	1864	91,250,114	214,250,114	155,482	223,475	378,957	213,871,157	42.4
1864	142,000,000	1865	44,420,375	186,420,375	466,182	679,261	1,145,463	185,274,912	23.6
1865	155,000,000	1866	71,287,988	226,287,988	973,075	851,645	1,824,720	224,463,268	33.1
1866	160,000,000	1867	38,158,382	198,158,382	307,418	619,550	926,968	197,231,414	9.4
1867	168,000,000	1868	25,462,197	193,462,197	558,435	2,801,852	3,360,287	190,101,910	12.6
1868	180,000,000	1869	39,275,926	219,275,926	444,387	342,417	786,804	218,489,122	17.9
1869	162,000,000	1870	49,230,199	211,230,199	152,892	1,710,053	1,862,945	209,367,254	23.3
1870	160,000,000	1871	68,058,028	228,058,028	25,195	1,305,311	1,330,506	226,727,552	29.9
1871	150,000,000	1872	126,507,409	276,507,409	140,515	2,266,393	2,406,908	274,100,501	44.9
1872	158,000,000	1873	85,496,049	243,496,049	75,129	7,040,386	7,115,515	236,380,534	35.1
1873	170,000,000	1874	42,939,541	212,939,541	319,600	6,816,157	7,135,757	205,803,784	20.2
1874	181,000,000	1875	54,901,760	235,991,760	178,034	3,567,627	3,745,661	232,156,099	23.3
1875	192,000,000	1876	44,642,836	236,692,836	104,768	1,518,426	1,623,194	235,019,642	18.9
1876	200,000,000	1877	42,171,192	242,171,192	79,599	3,088,957	3,168,556	239,002,636	17.4
1877	208,250,000	1878	48,449,079	256,699,079	347,854	5,952,221	6,300,075	250,399,004	18.9
1878	211,000,000	1879	39,005,155	250,005,155	60,784	4,104,616	4,165,400	245,839,755	15.6
1879	232,500,000	1880	128,131,747	360,631,747	191,551	3,648,520	3,840,071	356,791,676	35.5
1880	240,000,000	1881	55,964,236	295,964,236	71,455	5,507,534	5,578,989	290,385,247	18.9
1881	272,000,000	1882	67,861,744	339,861,744	116,179	3,831,836	3,948,015	335,913,729	20.0
1882	290,000,000	1883	70,575,478	360,575,478	64,474	4,010,043	4,074,517	356,500,961	19.6
1883	300,000,000	1884	78,350,651	378,350,651	10,393	2,304,701	2,315,094	376,035,557	20.7

*Year ended September 30, 1840.

The data as to production have been furnished by Mr. J. R. Dodge, Statistician of the Department of Agriculture.

The Department of Agriculture estimates the wool product of 1884 as 308,000,000 pounds. The wool product continued to increase in face of a diminution of sheep, partly at least through the fleeces of the very sheep slain and thus destroyed as a source of future supply. In 1885, however, this slaughtering had reached a marked effect in decreasing the product, which is roughly estimated in advance of final footings as about to show a deficiency of 10,000,000 pounds, as compared with the previous year.

The annual report of the chief of the Bureau of Statistics in regard to imported merchandise for the year ending June 30, 1885, furnishes data for the following summary, as to the imports of wool and woolen goods for the years 1883, 1884, 1885, showing the values and the duties paid (pages 114, 115).

Summary of articles of imported merchandise entered for consumption, &c., years ending June 30, 1883, 1884, and 1885.

Articles.	Year ending June 30—					
	1883.		1884.		1885.	
	Values.	Duties.	Values.	Duties.	Values.	Duties.
Wools, and manufactures of:						
Raw	$8,491,988 23	$3,174,628 02	$13,593,299 05	$4,522,825 82	$9,474,263 87	$3,164,295 96
Manufactures	42,552,455 99	29,146,264 50	41,484,871 80	27,478,400 05	36,176,705 44	24,294,938 90
Total	51,044,444 22	32,320,892 52	55,078,170 85	32,001,225 87	45,650,969 31	27,459,234 86

The report just cited furnishes also (pages 130-131) various particulars as to quantities of wool and woolen manufactures entered for consumption from 1867 to 1885, inclusive, with average rate of duty, ordinary duty received, consumption per capita and duty per capita, as shown in the following table:

Wool and manufactures of entered for consumption.

Year ending June 30—	Quantities.	Average rate of duty.	Ordinary duty received.	Consumption per capita.	Duty per capita.
	Pounds.		*Dollars.*		
1867	51,913,871	50.71 per cent.	26,327,661	143.36 cents.	72.71 cents.
1868	37,238,513	63.60 per cent.	23,684,048	101.21 cents.	64.37 cents.
1869	40,637,389	63.07 per cent.	25,632,041	107.63 cents.	67.89 cents.
1870	42,099,181	61.95 per cent.	26,082,101	109.18 cents.	67.64 cents.
1871	52,700,628	63.68 per cent.	33,564,479	133.23 cents.	84.85 cents.
1872	69,811,240	60.21 per cent.	42,031,077	171.69 cents.	103.51 cents.
1873	72,892,743	52.80 per cent.	38,490,629	174.78 cents.	92.29 cents.
1874	59,287,932	54.52 per cent.	32,326,863	138.34 cents.	75.43 cents.
1875	55,856,545	55.35 per cent.	30,914,037	126.77 cents.	70.16 cents.
1876	42,260,342	59.88 per cent.	25,306,314	93.25 cents.	55.84 cents.
1877	33,465,179	60.53 per cent.	20,258,038	71.77 cents.	43.45 cents.
1878	32,698,759	60.83 per cent.	19,890,945	68.15 cents.	41.45 cents.
1879	30,553,923	61.55 per cent.	18,805,340	61.86 cents.	38.07 cents.
1880	49,748,213	58.77 per cent.	29,238,370	99.20 cents.	58.30 cents.
1881	45,164,149	60.41 per cent.	27,285,625	87.76 cents.	53.02 cents.
1882	47,618,182	61.43 per cent.	29,253,016	90.19 cents.	55.40 cents.
1883	51,044,444	63.32 per cent.	32,320,893	94.24 cents.	59.67 cents.
1884	55,078,171	58.10 per cent.	32,000,226	99.14 cents.	57.60 cents.
1885	45,650,969	60.15 per cent.	27,459,235	79.96 cents.	48.10 cents.

Not only is a marked effect upon the wool industry of the country as a whole produced by changes in the tariff, but there are special local influences arising from the bearing of specified provisions affecting particular kinds of wool and of woolen manufactures, and thus developing results varying in different localities with the kind of sheep there most advantageously kept.

This will be more distinctly evident on inspection of tables and explanations here following from official sources.

Although the duties under the present law are specific it has been possible to calculate them in such a way as to make a comparable view of their relations on the basis of ad valorem charges.

The following table compiled from reports of the Bureau of Statistics shows separately the quantity and value of imported clothing wool, combing wool, and carpet wool entered for consumption in the United States, the amount of duty and the average ad valorem rate of duty collected thereon, during the years ended June 30, 1881, 1882, 1883, 1884, and 1885.

Year ended June 30—	Quantity.	Values.	Ordinary duty collected.	Average ad valorem rate of duty.
CLOTHING WOOLS.	*Pounds.*			*Per ct.*
1881	20,609,707	$4,751,454	$2,599,686	54.72
1882	13,489,923	3,042,407	1,693,078	55.64
1883	11,546,530	2,567,443	1,444,948	56.28
1884	20,703,843	4,700,605	2,111,279	44.91
1885	13,472,432	2,994,533	1,357,225	45.32
COMBING WOOLS.				
1881	4,421,491	1,271,332	585,500	46.07
1882	2,318,671	648,252	304,133	46.92
1883	1,373,114	343,987	176,181	51.22
1884	4,474,395	1,058,758	451,521	42.65
1885	3,891,914	921,252	394,908	42.87
CARPET WOOLS.				
1881	42,385,769	6,038,041	1,675,630	27.75
1882	47,208,175	6,642,699	1,857,442	27.96
1883	40,130,323	5,580,558	1,553,498	27.84
1884	62,525,692	7,833,935	1,960,025	25.02
1885	68,146,652	9,474,263	3,164,592	33.4

The reports of the Bureau of Statistics of the Treasury Department show how great a dependence for revenue the duty collected upon imported wool in raw and manufactured forms has come to be. Thus in the year ending June 30, 1883, the imports of wool and woolen manufactures entered for consumption stood third in the order of magnitude as to value, and second as to amount of duties collected thereon, constituting 15.42 per cent. of the total amount of duties collected from imports. (Quarterly Rep., No. 4, 1883-1884, p. 540.)

The ratios of clothing wool, combing wool, and carpet wool produced in the United States in 1883 were estimated by Mr. James Lynch in a communication to the Bureau of Statistics as a little over 72 per cent., 20 per cent., and 7 per cent. respectively. We may accept this estimate as a guide to our judgment upon the local interest of the various qualities. Were it possible to obtain anything like accurate figures they would be found to be modified by those changes which have reduced in such rapid ratio the wool interests of States east of the Mississippi, where wools of the grades above carpet wools predominated.

The following table shows the quantity of clothing wool, combing wool, and carpet wool produced in the United States, according to Mr. Lynch, in connection with the quantity of each class of wool as defined by the law imported into the country, the ad valorem rate of duty, the duty per pound, and the price per pound during the year ended June 30, 1883:

Description.	Produced in the United States during the calendar year 1883.	Imported into the United States during the year ended June 30, 1883.	Rate of duty during the year ended June 30, 1883.		Import price per pound.
			Rate per pound.	Ad valorem rate.	
	Pounds.	*Pounds.*	*Cents.*	*Per cent.*	*Cents.*
Clothing wool	233,000,000	11,546,530	12.51	56.28	22.24
Combing wool	65,000,000	1,373,114	12.83	51.22	25.05
Carpet wool	22,000,000	40,130,323	3.87	27.84	13.91

(Quarterly report Chief of Bureau of Statistics, No. 4, 1883-'84, page 544.)

In a communication printed in the report just cited Mr. J. R. Dodge explains the grades of wool as grown in the United States and distributed under the tariff classification. The clothing wools are merino of some degree, with the highest type of purity in Vermont, but almost exclusively prevailing in New York, Ohio, and Michigan, predominant in West Virginia, Western Pennsylvania, Texas, and in the Rocky Mountain and Pacific coast areas. The combing wools from which worsted yarns are made predominate in the South, except in the States already named as supplying clothing wool. The sheep are also known as the mutton breeds. In Kentucky they are estimated to be 99 per cent. of the whole number. The carpet wools in the United States are the product of the Mexican sheep which have been introduced as a foundation of ranch flocks, and in many cases improved by crossing so as to furnish a higher quality. (Page 550.)

According to Mauger & Avery, in the same report (page 553), Colorado and New Mexico produce about all the carpet wool grown in this country. The same parties state that the worsted manufacture is rapidly growing, from which it might be expected that the regions furnishing combing wools would find their markets bettered. The effect of the tariff of 1883, however, has modified that prospect, illustrating anew the disturbing influence of instability in our tariffs. The portion of the communication bearing on this point is here presented (pages 551, 552):

"105 AND 107 READE STREET, *New York, March* 17, 1884.

"DEAR SIR: Yours of the 14th is at hand and noted.

"The reduction of the tariff on worsted yarn has enabled the foreign manufacturers to send over their manufactures of fine worsted at figures which render their production here unprofitable, except at greatly reduced prices for the raw material.

"For this reason fine delaine fleeces are only salable at about the prices of clothing wools of the same quality and condition. We have written for full details on this subject, and in the course of a few days will be able to send you facts and figures in support of above statements.

"Domestic wools are graded into two classes, irrespective of grade, namely, clothing and combing wools.

"Delaine wool is really a combing wool, but generally of finer quality and shorter in staple than combing. It is used in the manufacture of the finer, softer grades of yarns. Worsted manufacturers have usually paid from 3 to 5 cents per pound more for selections of wool suitable for delaine; but since last summer the demand for this kind of domestic wool has slackened, as a result of the tariff act of March 3, 1883, and a class of wool of which the State of Ohio produces a percentage of from 25 to 30 per cent. of her entire clip is thereby depreciated in value. In other words, by reason of the reduction of duty on worsted yarns (*i. e.*, yarn made from wool which can be combed) in the tariff act of March 3, 1883, the value of 25 to 30 per cent. of the clip of Ohio, which has heretofore always commanded a price 3 to 5 cents per pound above ordinary Ohio wool, is now worth no more than ordinary fleece. This is independent of the direct effect of the reduction in the duty on wool apparent on the face of the law.

"To a somewhat less extent all of the wool-growers east of the Mississippi will suffer."

A few days later the same parties made a supplementary statement showing more in detail the effect of the tariff upon the worsted interest. It is to be noted that merino wools of certain grade, as well as strictly combing wools, are used for worsted through improvements in machinery. The statements follow here (pages 554, 555):

105 AND 107 READE STREET, NEW YORK, *March* 24, 1884.

DEAR SIR: In further explanation of our letter of March 17, we would say that under the tariff of 1867 a fine worsted yarn would cost, including charges and duty on the charges, say, $1.60 per pound. Under the tariff of March, 1883, the same yarn, costing the same price (first cost), can be bought here by the importer at $1.33 per pound. Reduction by duty of March, 1883, 27 cents per pound.

It is estimated that it takes 3 pounds of wool to make 1 pound of worsted yarn, therefore the loss is equivalent to 9 cents per pound on the raw material, which is about the extent of the decline in price of delaine wool from 48 cents in March, 1883, to 39 or 40 cents in March, 1884.

Meanwhile the manufacture of fine worsted yarn is seriously crippled. That some unusual stimulus has been given to shipments of worsted yarns to America is shown by the statistics reported, we believe, by the United States consular agent at Bradford.

Worsted yarn exported to United States January, 1883	£1,267
Worsted yarn exported to United States January, 1884	10,162
Worsted coatings exported to United States January, 1883	18,986
Worsted coatings exported to United States January, 1884	42,987

From this it will be seen that in addition to the increase in the exports of worsted yarns there has been a very large increase of manufactured yarn in the shape of worsted goods.

Yours, truly,

MAUGER & AVERY.

P. S.—In paragraph relating to tariff on worsted yarn we would explain that under tariff of 1867, if yarn cost 79 cents and charges were 2 cents, the duty would be on the basis of 81 cents cost; whereas, under the tariff of March, 1883, a yarn costing 79 cents will pay duty on 79 cents cost, no matter how much the legitimate charges may be.

SUPPLEMENTAL STATEMENTS MADE BY MESSRS. MAUGER & AVERY, UNDER DATE OF APRIL 2.

1. The worsted industry is quite a new one in this country, and has been until

the past few months the most successful branch of the woolen industry in the country, and the domestic growth of combing and delaine wools has been in proportion to the demand in this country.

2. The imports of combing wool (*i. e.*, those entered under class 2) are chiefly from England, but these wools compete with our medium and coarse combing of domestic growth rather than with the "delaine merino" wool produced in this country. The competition with our delaine wool comes fnom the fine Australian, of which a very large percentage of the importation is used for worsted purposes.

3. Our impression is that Arizona produces more fine than carpet stock, but we may be mistaken. Besides being lower in price than clothing or combing wools, the carpet wool fleeces are much lighter than finer grades, and the return per head of sheep is thus much less.

The same parties furnish a statement that so clearly explains the relations of the clothing and the combing wools in manufacturing that it is here repeated. (Pages 561, 562.)

Originally, only a growth of 5 to 6 inches could be combed, but with the improvements in combing machinery a staple 2½ inches long can now be combed with facility. There is very little wool grown now east of the Mississippi that does not have that length; but as a large percentage of the wool, owing to condition or feed of sheep, is weak or diseased, only the perfectly healthy wool is suitable for combing purposes. If anything interferes with the health of the sheep at that period of the growth of the fiber it will be affected, and when tension is applied it will break or part at that very point in the wool. Sometimes it happens that there will still be length enough to comb, and then it becomes a question of price. You will thus see that what constitutes combing wool is a somewhat arbitrary matter to be decided by the buyers, who are more particular when wools are plenty than when they are scarce. What they reject at one time they will accept at another, though when they are free buyers they lose by the great proportion of short and diseased wool combed out, called noils, which they have to sell at a low price.

All grades of wool, from the coarsest to the finest, are combed. At the "Centennial" a fine yarn was exhibited by one of our fine yarn spinners which they claimed was two-ply 200, or equivalent to 63.8 miles per pound.

On other machines the low carpet wools are combed for carpet purposes.

Worsted yarn is made entirely of wool that has been combed. Strictly speaking, worsted goods are made entirely of worsted or combed yarns, but to chcapen the goods cotton yarn is frequently used for warp, and carded (woolen) and silk yarns are also frequently used for the same purpose.

You are correct in your conclusion that the combing of the wool previous to spinning constitutes the basis of the distinction between "worsted" and "woolen goods," but the processes are somewhat different all through. "Woolen goods" are generally "fulled;" *i. e.*, shrunk up in finishing, while worsted goods are generally finished without fulling. The peculiarity of most worsted goods is the silky or glossy finish which they have. The bulk of our fine wools go into ladies' dress goods, but knit goods, cassimere shawls, overcoatings, braids, bunting, in fact a large variety of goods, are made now of worsted yarns.

By the process of manufacture whtch separates the short and weak staples the fibers that are left are uniform in length and strength, and laid side by side; the yarn can thus be drawn out further and is smooth and glossy. For any class of goods requiring to be light and strong worsted yarns are especially suited.

Yours, truly,

MAUGER & AVERY.

In the same report (page 563) the same gentlemen express the view that as the tendency of manufactures seems to be in the direction of worsted goods "an impetus will be given to the production of wools best suited for combing purposes, particularly if legislation does not interfere with its development.

In the same report (pages 564 to 566) Mr. T. C. Search, of the Fairmount Worsted Mills, Philadelphia, makes a statement in regard to the growth of the worsted industry in the United States, from which the following particulars are taken: The fine worsted trade of the United States in its condition is perhaps to-day the most unfortunate exponent of the unequal bearing of the late tariff reduction. The magnitude and growth of the industry are manifest in the census returns beginning with 1860.

In 1860 the valuation was placed at $1,320,027.

In 1870 the valuation was placed at $22,090,331.

In 1880 the valuation was placed at $33,549,942.

Since 1880 the rate of increase has enormously enlarged. The protection afforded by the tariff act of 1867 without doubt was the cause of the enormous growth here shown. By the change of schedule of duties on worsted yarn under act of March 3, 1883, the American manufacturer has been placed at a serious disadvantage compared with the foreign manufacturer who can obtain wools at a lower rate for worsted, using South American wool to a large extent.

If we can accept the judgment of the dealers and manufacturers whose views have been cited, it will be plain that the demand of consumers tends toward the worsted wools, while the manufacturer has been put to a disadvantage with reference to foreign makers by the changes introduced by the tariff of 1883. And the wool-growers of the States heretofore prominent in the product of wool suitable for such use have been subjected to a special disturbance of their industry and their incomes.

Such changes are likely to be most marked in the sheep husbandry on the better lands, as it is estimated that one acre of the most valuable land for all purposes will support four sheep. When the product of four sheep will no longer repay the owner for such use of his land, the sheep are slaughtered or transferred to cheaper land, in which transfer of location the individual sheep disappear oftentimes to be replaced by inferior sorts.

Mr. RANDALL introduced the following bill:

A bill to reduce and equalize duties on imports, to reduce internal-revenue taxes, and to modify the laws in relation to the collection of the revenue.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That on and after the 1st day of January, 1887, the following articles mentioned in this section, when imported, shall be exempt from duty:

Timber, all not further advanced or manufactured than hewn, sawed, squared, or sided.

Boards, clapboards, deals, palings, pickets, planks, and other lumber, in the rough or as sawed, not otherwise provided for.

Hubs for wheels, posts, last-blocks, wagon-blocks, oar-blocks, gun-blocks, heading-blocks, all like blocks or sticks, rough-hewn or sawed only.

Staves of wood of all kinds in the rough: *Provided*, That if any export duty is laid upon the above-mentioned articles, or either of them, by any country from whence imported, all said articles imported from said country shall be subject to duty as now provided by law.

Jute-butts.

Bristles.

SEC. 2. That on and after the 1st day of January, 1887, in lieu of the duties heretofore imposed on the articles hereinafter mentioned, there shall be levied, collected, and paid the following rates of duty on said articles severally:

Timber, when planed, framed, or otherwise further advanced or manufactured than sawed, hewn, squared, or sided only, 10 per cent. ad valorem.

Sawed boards, clapboards, deals, palings, pickets, plank, and other lumber, when planed or finished, for each side so planed or finished, 50 cents per 1,000 feet, board measure; when tongued and grooved, 50 cents per 1,000 feet, board measure, in addition to the rate imposed when planed or finished only.

Iron or steel railway bars, and railway bars made in part of steel, weighing more than 25 pounds to the yard, $13 per ton.

Iron or steel tee-rails, weighing not over 25 pounds to the yard, and iron or steel flat-rails, punched, $16 per ton. Iron or steel railway fish-plates or splice-bars, 1 cent per pound.

Horseshoe-nails, hob-nails, and wire nails, and all other wrought-iron or steel nails, not otherwise specially enumerated or provided for, 3 cents per pound.

Iron or steel beams, girders, joists, angles, channels, car-truck channels, TT columns and posts, or parts or sections of columns and posts, deck and bulb beams, and building forms, together with all other structural shapes of iron or steel, 1 cent per pound.

Steel wheels and steel-tired wheels for railway purposes, whether wholly or partly finished, and iron or steel locomotive, car, or other railway tires, or parts thereof, wholly or partly manufactured, 2 cents per pound; iron or steel ingots, cogged ingots, blooms, or blanks for the same, without regard to the degree of manufacture, 1¼ cents per pound.

Boiler or other plate iron, sheared or unsheared, skelp iron, sheared or rolled in grooves, 1¼ cents per pound. Sheet-iron, common or black, thinner than 1 inch and one-half and not thinner than No. 20 wire-gauge, 1 cent per pound; thinner than No. 20 wire-gauge and not thinner than No. 25 wire-gauge, 1 and two-tenths of 1 cent per pound; thinner than No. 25 wire-gauge, and all iron commercially known as common or black taggers iron, whether put up in boxes or bundles or not, 1½ cents per pound: *Provided*, That on all such iron and steel sheets or plates aforesaid, excepting on what are known commercially as tin plates, terne plates, and taggers tin, and hereafter provided for, when galvanized or coated with zinc or spelter, or other metals, or any alloy of these metals, three-fourths of 1 cent per pound additional.

Round iron, in coils or rods, less than seven-sixteenths of 1 inch in diameter, and bars and shapes of rolled iron, not specially enumerated or provided for, 1 cent per pound.

Iron or steel sheets, or plates, or taggers iron, coated with tin or lead, or with a mixture of which these metals is a component part, by dipping or any other process, and commercially known as tin plates, terne plates, and taggers tin, 2½ cents per pound.

Iron or steel rivet, screw, nail, and fence, wire-rods, round, in coils or loops, not lighter than No. 5 wire-gauge, six-tenths of 1 cent per pound; smaller than No. 5 wire-gauge, eight-tenths of 1 cent per pound. Iron or steel, flat, with longitudinal ribs, for the manufacture of fencing, six-tenths of 1 cent per pound.

Iron or steel cotton-ties, or hoops for baling purposes, not thinner than No. 20 wire-gauge, 1 cent per pound.

Lead ore and lead dross, 1 cent per pound; lead in pigs and bars, molten and old refuse lead run into blocks and bars, and old scrap lead, fit only to be remanufactured, 1½ cents per pound; lead in sheets, pipes, or shot, 2½ cents per pound.

Zinc, spelter, or tutenegue, in blocks or pigs, 1½ cents per pound; in sheets, 2 cents per pound; zinc, old and worn out, fit only to be remanufactured, three fourths of 1 cent per pound,

Iron or steel wire cloths and iron or steel wire nettings, made in meshes of any form, if composed of wire smaller than No. 16 and not smaller than No. 26 wire-gauge, 3½ cents per pound; if composed of wire smaller than No. 26 wire-gauge, 4 cents per pound.

Wire rope and wire strand, if composed of iron wire smaller than No. 10 and not smaller than No. 16 wire-gauge, 2½ cents per pound; if composed of iron wire smaller than No. 16 and not smaller than twenty-six wire-gauge, 3 cents per pound.

Soap, castile, 1½ cents per pound, glucose, or grape-sugar, three-fourths of 1 cent per pound; cod-liver oil, 20 cents per gallon; ocher and ochery earths and umber and umber earths, when dry, one-fourth of 1 cent per pound.

Pipes, pipe-bowls, and all smokers' articles whatsoever, not specially enumerated or provided for in this act, 70 per cent. ad valorem; all common tobacco-pipes of clay, 16 cents per gross.

Animals, live: Horses and mules, $10 per head; cattle, $4 per head; hogs, $1 per head; sheep, 50 cents per head; all other live animals, not otherwise specially enumerated or provided for, 20 per cent. ad valorem: *Provided*, That so much of section 6 of the act approved March 3, 1883, entitled "An act to reduce internal-revenue taxation, and for other purposes," as provides that "animals specially imported for breeding purposes shall be admitted free upon proof thereof satisfactory to the Secretary of the Treasury, and under such regulations as he may prescribe," be, and the same is hereby, repealed, to take effect January 1, 1887.

Starch: Potato or corn, 1½ cents per pound; rice and other, 2 cents per pound.

Rice, cleaned, 2½ cents per pound; uncleaned, 1½ cents per pound; paddy, 1½ cents per pound.

Rice-flour, rice-meal, and broken rice which will pass through a sieve known commercially as No. 10 brass-wire sieve, ten meshes to the running inch, or one hundred meshes to the square inch, the space between the wires not to exceed in length or width seven hundred and eighty-seven ten thousandths of an inch, 20 per cent. ad valorem.

Fruits: Oranges, lemons, or limes, in packages of capacity of 1½ cubic feet or less, 13 cents per package; in packages of capacity exceeding 1½ cubic feet and not exceeding 2½ cubic feet, 25 cents per package; in packages of capacity exceeding 2½ cubic feet and not exceeding 5 cubic feet, 50 cents per package; in packages of capacity exceeding 5 cubic feet and not exceeding 7½ cubic feet, 75 cents per package; in packages of capacity exceeding 7½ cubic feet, 10 cents for every additional cubic foot or fractional part thereof; in bulk, $1.75 per thousand.

Grapes, 1 cent per pound.

Fruits preserved in their own juices, 20 per cent. ad valorem.

Fruit-juice, or cherry-juice, 50 cents per gallon.

Citron, preserved or candied, 4 cents per pound; orange-peel and lemon-peel, preserved or candied, 2 cents per pound.

Cement, Portland or Roman, in barrels, sacks, or other packages, 8 cents per 100 pounds; in bulk, 6 cents per 100 pounds.

Whiting and Paris white, dry, one-fourth of one cent per pound; ground in oil or putty, 1 cent per pound.

Glycerine, refined, 4 cents per pound.

Fish-glue or isinglass, 15 cents per pound.

Castor-beans or seeds, 40 cents per bushel of 50 pounds.

Castor-oil, 60 cents per gallon.

Acetate of lead, brown, 3 cents per pound; white, 4 cents per pound.

Litharge, 2 cents per pound.

Orange mineral and red lead, 2½ cents per pound.

Nitrate of lead, 2½ cents per pound.

On stockings, hose, half-hose, shirts, drawers, and other goods made on knitting machines or frames, composed wholly of cotton, and not herein otherwise provided for, 35 per cent. ad valorem.

On stockings, hose, half-hose, shirts, drawers, and other goods fashioned, narrowed, or shaped wholly or in part by knitting machines or frames, or knit by hand, and composed wholly of cotton, 40 per cent. ad valorem.

On clothing ready-made, and wearing apparel of every description (including corsets), except knit goods, composed of cotton or other vegetable textile, made up or manufactured wholly or in part by the tailor, seamstress, or manufacturer, and not otherwise specially enumerated or provided for, 40 per cent. ad valorem.

Cotton cords, braids, gimps, galloons, webbing, goring, suspenders, braces, and all manufactures of cotton not otherwise specially enumerated or provided for, 35 per cent. ad valorem.

On goods heretofore known commercially as Hamburg edgings, embroideries, or insertings, and as Egyptian and oriental laces, composed of cotton, and stitched or otherwise wrought by machines worked by hand or other power, 45 cents per pound and 15 per cent. ad valorem.

On laces, embroideries, insertings, trimmings, lace window-curtains, and tamboured articles, composed of cotton or other vegetable fiber, not herein otherwise enumerated or provided for, and on cotton damask, hemmed handkerchiefs, and cotton velvet, 40 per cent. ad valorem.

Oil-cloth foundations, or floor-cloth canvas, or burlaps exceeding 60 inches in width, made of flax, jute, or hemp, or of which flax, jute, or hemp, or either of them, shall be the component material of chief value, 35 per cent. ad valorem.

Gunny-cloth, not bagging, valued at 10 cents or less per square yard, 2 cents per pound; valued at over 10 cents per square yard, 3 cents per pound.

Bags and bagging, and like manufactures, not herein specially enumerated or otherwise provided for (except bagging for cotton), composed wholly or in part of flax, hemp, jute, gunny-cloth, gunny-bags, or other vegetable material, 35 per cent. ad valorem.

Bagging for cotton, or other manufactures not specially enumerated or otherwise provided for, suitable for the uses for which cotton bagging is applied, composed in whole or in part of hemp, jute, jute butts, flax, gunny-bags, gunny-cloth, or other vegetable material, and valued at 7 cents or less per square yard, 1¼ cents per pound; valued at over 7 cents per square yard, 1¾ cents per pound.

Jute, 10 per cent. ad valorem.

Silk, partially manufactured from cocoons, or from waste silk, and not further advanced or manufactured than carded or combed silk, 50 cents per pound.

Thrown silk, not more advanced than singles, tram, organzine, sewing-silk, twist, floss, spun silk, and silk threads or yarns of every description, 30 per cent. ad valorem.

Lastings, mohair cloth, silk twist, or other manufactures of cloth, woven or made in patterns of such size, shape, or form, or cut in such manner as to be fit for buttons exclusively, 10 per cent. ad valorem.

Goods in the piece, including ribbons (except knit goods, velvets, plushes, or other pile fabrics), weighing not less than 1 ounce nor more than 8 ounces per square yard, containing less than 25 per cent. and not less than 10 per cent. in weight of silk, 75 cents per pound and 15 per cent. ad valorem; the same, containing less than 50 per cent. and not less than 25 per cent. in weight of silk, $1.25 per pound and 15 per cent. ad valorem; the same, containing 50 per cent. or more in weight of silk, if black, $1.60 per pound and 15 per cent. ad valorem; if white or colored, or partly black or partly colored, $2.25 per pound and 15 per cent. ad valorem.

Velvets, plushes, or other pile fabrics in the piece (including ribbons), weighing not less than 1 ounce nor more than 8 ounces per square yard, containing less than 25 per cent. and not less than 10 per cent. in weight of silk, $1 per pound and 15 per cent. ad valorem; the same, containing less than 50 per cent. and not less than 25 per cent. in weight of silk, $1.50 per pound and 15 per cent. ad valorem; the same, containing 50 per cent. or more in weight of silk, $3.50 per pound and 15 per cent. ad valorem.

Wearing apparel of every description, composed of silk or of which silk is the component material of chief value, made up wholly or in part by the tailor, seamstress, or manufacturer (except knit goods), 55 per cent. ad valorem.

Umbrellas, parasols, and shades, covered with silk or with any material of which silk is the component of chief value, 25 cents each and 50 per cent. ad valorem.

All manufactures of silk, or of which silk is the component material of chief value, not provided for in this act, 50 per cent. ad valorem.

In ascertaining the percentage of silk under this act the weight of silk shall be taken as found in the goods.

Gloves wholly or partially manufactured from dressed kid or goat skin, and known commercially as "glace" finish, not over 13 inches in length, $3 per dozen pairs; over 13 and not over 17 inches in length, $4 per dozen pairs; over 17 inches in length, $5 per dozen pairs.

Gloves wholly or partially manufactured from dressed leather other than kid or goat skin, and known commercially as "glace" finish, not over 13 inches in length, $2 per dozen pairs; over 13 and not over 17 inches in length, $3 per pozen pairs; over 17 inches in length, $4 per dozen pairs.

Gloves wholly or partially manufactured from undressed leather, known commercially as "velvet," "castor," "chamois," or "Suede" finish, not over 13 inches in length, $2 per dozen pairs; over 13 and not over 17 inches in length, $3 per dozen pairs; over 17 inches in length, $4 per dozen pairs.

On all leather gloves, if lined or trimmed with fur, $1 per dozen pairs additional; if "pique" or prick-seam sewn, 50 cents per dozen pairs additional; if embroidered, 50 cents per dozen pairs additional.

The length of all gloves shall be determined by measuring from the tip end of the longest finger to the opposite extremity of the glove. All gloves entered by a false description or classification, or a false statement as to quantity, shall be subject to an additional duty of $5 per dozen pairs.

All wools, hair of the alpaca, goat, and other like animals, shall be divided, for the purpose of fixing the duties to be charged thereon, into the three following classes:

Class 1: Clothing wools; that is to say, merino, mestiza, metz, or metis wools, or other wools of merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including such as have been heretofore usually imported into the United States from Buenos Ayres, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, and elsewhere, and also including all wools not hereinafter described or designated in classes 2 and 3.

Class 2: Combing wools; that is to say, Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used, and also all hair of the alpaca, goat, and other like animals.

Class 3: Carpet wools and other similar wools, such as Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and including all such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Egypt, Syria, and elsewhere.

The duty on wools of the first class which shall be imported washed shall be twice the amount of the duty to which they would be subjected if imported unwashed; and the duty on wools of all classes which shall be imported scoured shall be three times the duty to which they would be subjected if imported unwashed. All wools which, when imported, have been cleansed by the use of soap or an alkali, or other chemical agent or detergent, or by any process other than the application of water in its natural state, or which shall contain less than 10 per cent. of the weight thereof of dirt, grease, yolk, or other foreign substance or matter, shall be classified as scoured wool, and pay duty accordingly. The duty upon wool of the sheep, or hair of the alpaca, goat, and other like animals, which shall be imported in any other than ordinary condition, as now and heretofore practiced, or which shall be changed in its character for the purpose of evading the duty, shall be twice the duty to which it would be otherwise subject.

On wools of the first and second classes, valued at 30 cents per pound or less, 10 cents per pound; valued at above 30 cents per pound, 12 cents per pound; on wools of the third class, 3 cents per pound.

On carded or combed wool or tops, 48 cents per pound and 10 per cent. ad valorem; wools on the skin, the same rates as other wools, the quantity to be ascertained under such rules as the Secretary of the Treasury may prescribe.

Woolen rags, shoddy, mungo waste, and flocks, 10 cents per pound.

Woolen or worsted cloths and shawls and all manufactures of every description made wholly or in part of wool, not specially enumerated or otherwise provided for, valued at not exceeding 60 cents per pound, 30 cents per pound and 35 per cent. ad valorem; valued at above 60 cents per pound and not exceeding 80 cents per pound, 35 cents per pound and 35 per cent. ad valorem; valued at above 80 cents per pound, 35 cents per pound and 40 per cent. ad valorem.

Flannels, blankets, hats, balmorals, yarns, knit goods (including goods made on knitting-frames), composed wholly or in part of wool, and all manufactures composed wholly or in part of the hair of the alpaca, goat, or other animals, not specially enumerated or otherwise provided for, valued at not exceeding 30 cents per pound, 10 cents per pound; valued at above 30 cents per pound and not exceeding 40 cents per pound, 12 cents per pound; valued at above 40 cents per pound and not exceeding 60 cents per pound, 18 cents per pound; valued at above 60 cents per pound and not exceeding 80 cents per pound, 24 cents per pound; and in addition thereto, upon all the above-named articles, 35 per cent. ad valorem; valued at above 80 cents per pound, 35 cents per pound, and in addition thereto 40 per cent. ad valorem.

Women's and children's dress-goods, coat-linings, Italian cloths, and goods of like description, composed in part of wool, worsted, the hair of the alpaca, goat, or other animals, valued at not exceeding 20 cents per square yard, 5 cents per square yard, and in addition thereto 35 per cent. ad valorem; valued at above 20 cents per square yard, 7 cents per square yard and 40 per cent. ad valorem; if composed wholly of wool, worsted, the hair of the alpaca, goat, or other animals, or of a mixture of them, 9 cents per square yard and 40 per cent. ad valorem; but all such goods with selvedges made wholly or in part of other materials, or with threads of other materials introduced for the purpose of changing the classification, shall be dutiable at 9 cents per square yard and 40 per cent. ad valorem: *Provided*, That all goods of the character enumerated in this paragraph weighing over 4 ounces per square yard shall pay a duty of 35 cents per pound and 40 per cent. ad valorem.

Clothing, ready-made, and articles of wearing apparel of every description, except knit goods, not specially enumerated or provided for, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other animals, made up or manufactured wholly or in part by the tailor, seamstress, or manufacturer, 45 cents per pound and 45 per cent. ad valorem: *Provided*, That this paragraph shall be a substitute for the paragraphs in Schedule K of the act entitled "An act to reduce internal-revenue taxation, and for other purposes," approved March 3, 1883, relating respectively to "clothing, ready-made," &c., and to "cloaks, dolmans," &c.

Marble of all kinds, in block, rough or squared, 50 cents per cubic foot; veined marble, sawed, dressed, or otherwise, including marble slabs and marble paving-tiles, $1 per cubic foot.

Salt, in bags, sacks, barrels, or other packages, 10 cents per 100 pounds; in bulk, 4 cents per 100 pounds.

SEC. 3. That the following amendments to, substitutes for, and modifications of existing laws shall take effect on and after the 1st day of October, 1886: Section 6 of the act approved March 3, 1883, entitled "An act to reduce internal-revenue taxation, and for other purposes," providing a substitute for title 33 of the Revised Statutes of the United States, is hereby amended as to certain of the sections and parts of sections or schedules comprised therein as follows, respectively:

By striking out section 2499 and substituting in lieu thereof the following:

"SEC. 2499. Each and every imported article, not enumerated or provided for in any schedule in this title, which is similar, either in the material, quality, texture, or the use to which it may be applied, to any article enumerated in this title as chargeable with duty, shall pay the same rate of duty which is levied on the enumerated article which it most resembles in any of the particulars before mentioned; and if any non-enumerated article equally resembles two or more enumerated articles on which different rates of duty are chargeable, there shall be levied on such non-enumerated article the same rate of duty as is chargeable on the article which it resembles paying the highest rate of duty; and on articles, not enumerated or provided for, manufactured of two or more materials the duty shall be assessed at the highest rate at which the same would be chargeable if composed wholly of the component material thereof of chief value; and the words "component material of chief value," wherever used in this title, shall be held to mean that component material which shall exceed in value any other single component material found in the article; and the value of each component material shall be determined by the ascertained value of such material in its last form and condition before it became a component material of such article. If two or more rates of duty shall be applicable to any imported article, it shall pay duty at the highest of such rates: *Provided*, That any non-enumerated article similar in material and quality and texture, and the use to which it may be applied, to any article on the free-list, and in the manufacture of which no dutiable materials are used, shall be free of duty."

SEC. 2502. SCHEDULE A—CHEMICAL PRODUCTS.—By striking out from this schedule the words "distilled spirits containing 50 per cent. of anhydrous alcohol, $1 per gallon;" also by striking out the words "alcohol containing 94 per cent. anhydrous alcohol, $2 per gallon."—*Tariff*, paragraphs 101, 102, 103.

SCHEDULE B—EARTHENWARE AND GLASSWARE.—By striking out the tenth clause of this schedule, relating to "green and colored glass bottles," &c., and inserting the following in lieu thereof:

"Green and colored glass bottles, vials, demijohns, and carboys (covered or uncovered), pickle or preserve jars, and other plain, molded, or pressed green or colored bottle-glass, not cut, engraved, or painted, and not specially enumerated or provided for in this act, 1 cent per pound; if filled, and not otherwise in this act provided for, and the contents are subject to an ad valorem duty, or to a rate of duty based on their value, the value of such bottles, vials, or other vessels shall be added to the value of the contents for the ascertainment of the dutiable value of the latter; but if filled, and not otherwise provided for, and the contents are not subject to any ad valorem duty or to a rate of duty based on their value, they shall pay a duty of 1 cent per pound in addition to the duty, if any, on their contents."—*Tariff*, paragraph 133.

By striking out the eleventh clause of this schedule, relating to "flint and lime glass bottles," &c., and inserting the following in lieu thereof:—[Tariff, paragraph 134.]

"Flint and lime glass bottles and vials, and other plain, molded, or pressed flint or lime glassware, not specially enumerated or provided for in this act, 40 per cent. ad valorem; if filled, and not otherwise in this act provided for, and the contents are subject to an ad valorem duty, or to a rate of duty based on their value, the value of such flint or lime glass bottles or vials, or other vessels of like material above provided for, shall be added to the value of the contents for the ascertainment of the dutiable value of the latter; but if filled, and not otherwise provided for, and the contents are not subject to an ad valorem duty, or to a rate of duty based on their value, they shall pay a duty of 40 per cent. ad valorem in addition to the duty, if any, on their contents."

Schedule C—Metals.—By striking out the last clause of this schedule, relating

to "manufactures, articles, or wares not specially enumerated or provided for," and inserting in lieu thereof the following:

"Manufactures, articles, or wares not specially enumerated or provided for in this act, composed wholly or in part of iron, steel, copper, lead, nickel, pewter, tin, zinc, gold, silver, platinum, or any other metal, and whether partly or wholly manufactured, 45 per cent. ad valorem: *Provided*, That nothing in this clause shall affect the rate of duty hereinbefore provided for the manufactures of copper, or of which copper shall be the component of chief value."—[Tariff, paragraphs 186, 216.]

By striking out in next to the last clause of this schedule the words "mineral substances in a crude state;" so that the clause shall read as follows:

"Metals, unwrought, not specially enumerated or provided for in this act, 20 per cent. ad valorem."—[Tariff, paragraph 215.]

Schedule F—Tobacco.—By striking out from this schedule the second clause, relating to "leaf-tobacco," and in lieu thereof inserting the following:

"Leaf-tobacco, of the requisite size and of the necessary fineness of texture to be suitable for wrappers, and of which more than one hundred leaves are required to weigh a pound, if not stemmed, 75 cents per pound; if stemmed, $1 per pound."—[Tariff, paragraph 246.]

By striking out the clause in this schedule relating to "vegetables in their natural state or in salt or brine," and inserting in lieu thereof the following:

"Vegetables, such as beets, peas, beans, and the like, in their natural state, whether green or dried or in salt or brine, not specially enumerated or provided for in this act, and garden seeds, not edible, except seed of the sugar-beet, 10 per cent. ad valorem."—[Tariff, paragraphs 286, 465, 760.]

Schedule N.—By striking out the seventh clause of this schedule, relating to "bonnets, hats, and hoods," &c., and inserting in lieu thereof the following:

"Bonnets, hats, and hoods for men, women, and children, composed of hair, whalebone, or any vegetable material, and not specially enumerated or provided for in this act, 30 per cent. ad valorem."—[Tariff, paragraph 400.]

By striking out the clause of this schedule commencing with the words "hats, &c., materials for," and inserting in lieu thereof the following:

"Hats, materials for: Braids, plaits, flats, willow sheets and squares, fit for use in making or ornamenting hats, bonnets, and hoods, composed of straw, chip, grass, palm-leaf, willow, hair, whalebone, or any vegetable material, not specially enumerated or provided for in this act, 20 per cent. ad valorem."—[Tariff, paragraph 448.]

By striking out the clause of this schedule commencing with the words "garden seeds," which clause is hereby repealed.—[Tariff, paragraph 465.]

By striking out the last clause but one of this schedule, relating to "watches," &c., and inserting in lieu thereof the following: [Tariff, paragraph 494.]

"Watches, watch-cases, watch-movements, parts of watches, watch-glasses, and watch-keys, whether separately packed or otherwise, and watch materials not specially enumerated or provided for in this act, 25 per cent. ad valorem."

By striking out the last clause in this schedule, relating to "webbing," and inserting in lieu thereof the following:

"Webbing composed of cotton or flax, or of a mixture of these materials, and not specially enumerated or provided for in this act, 35 per cent. ad valorem."—[Tariff, paragraph 495.]

THE FREE-LIST.

SEC. 2503 [Substituted for section 2505, R. S.]. By striking out the clause in this section commencing with the words "articles the growth, produce, and manufacture of the United States," and inserting in lieu thereof the following:

"Articles the growth, produce, and manufacture of the United States, when returned after having been exported, without having been advanced in value or improved in condition by any process of manufacture or other means; casks, barrels, carboys, bags, and other vessels of American manufacture exported filled with American products, or exported empty and returned filled with foreign products, including shooks when returned as barrels or boxes; but proof of the identity of such articles shall be made, under general regulations to be prescribed by the Secretary of the Treasury; and if any of such articles are subject to internal tax at the time of exportation, such tax shall be proved to have been paid before exportation, and not refunded: *Provided*, That this clause shall not include any article upon which an allowance of drawback has been made, the reimportation of which is hereby prohibited except upon payment of duties equal to the drawbacks allowed."—[Tariff, paragraphs 649a to 649d.]

Add to the clause in this section relating to "soap-stocks" so that the clause as amended will read as follows:

"Soap-stocks, fit only for use as such."—[Tariff, paragraph 790.]

By striking out the clause relating to "wearing-apparel," &c. (tariff, paragraph 815), and inserting in lieu thereof the following:

"Wearing-apparel, implements, instruments, and tools of trade, occupation, or employment, professional books, and other personal effects (not merchandise) of persons arriving in the United States, not exceeding in value $500, and not intended for the use of any other person or persons, nor for sale; but this exemption shall not be construed to include machinery or other articles imported for use in any manufacturing establishment or for sale: *Provided, however*, That the limitation in value above specified shall not apply to wearing-apparel and other personal effects which may have been taken from the United States to foreign countries by the persons returning therefrom; and such last-named articles shall, upon production of evidence satisfactory to the collector and to the naval officer (if any) that they have been previously exported from the United States by such persons, and have not been advanced in value or improved in condition by any process of manufacture or labor thereon since so exported, be exempt from payment of duty: *And provided, further*, That all such articles of foreign production or manufacture which may have been once imported into the United States and subjected to the payment of duty shall, upon reimportation, if not improved in condition, by any means, since their exportation from the United States, be entitled to exemption from duty upon their identity being established, under such rules and regulations as may be prescribed by the Secretary of the Treasury.

"Works of art, drawings, engravings, photographic pictures, and philosophical and scientific apparatus brought by professional artists, lecturers, or scientists arriving from abroad, for use by them temporarily for exhibition and in illustration, promotion, and encouragement of art, science, or industry in the United States; and wearing-apparel and other personal effects of tourists from abroad visiting the United States, shall be admitted to free entry, under such regulations as the Secretary of the Treasury may prescribe; and bonds shall be given, whenever required by the Secretary of the Treasury, for the payment to the United States of such duties as may be imposed by law upon any and all such articles as shall not be exported within six months after such importation: *Provided, however*, That the Secretary of the Treasury may, in his discretion, extend such period for a further term of six months in cases where application therefor shall be made.

"Wearing-apparel, old and worn, not exceeding $100 in value, upon production of evidence satisfactory to the collector and naval officer (if any) that the same has been donated and imported in good faith for the relief or aid of indigent or needy persons residing in the United States, and not for sale."

SEC. 4. That section 7 of the act approved March 3, 1883, entitled "An act to reduce internal-revenue taxation, and for other purposes," is hereby amended so that it shall be as follows:

"In all cases where imported merchandise is subject to an ad valorem rate of duty, or to a duty based upon or regulated in any manner by the value thereof, the duty shall be assessed upon the actual market value or wholesale price of such merchandise, at the time of exportation to the United States, in the principal markets of the country from whence imported, and in the finished condition in which such merchandise is there bought and sold for exportation to the United States, and in which it is prepared and put up for shipment when so bought and sold, or when consigned to the United States for sale, including all costs, charges, and expenses incident to placing the same in such condition: *Provided, however*, That in determining the dutiable value of imported merchandise no estimate shall be made of the cost or the value of such outside sacks, crates, cases, or other outer coverings as are used, and as are designed to be used, only in the *bona fide* transportation of such merchandise to the United States, nor of the actual and necessary expenses incident to the transportation of the merchandise from the place of purchase or consignment to the vessel or other vehicle in which exported to the United States, nor of commissions, marine insurance, export duties, or fees for authentication by consular officers of the United States, in case the same shall be severally stated in the invoice, and if not so stated no deduction therefor from the invoice value shall be allowed: *And provided further*, That if there be used for covering or holding imported merchandise which shall be free of duty, any material or article designed for use other than in the *bona fide* transportation of such merchandise to the United States, duty shall be assessed thereon at the rate to which such material or article would be subject if imported separately; and if there be used for covering or holding imported merchandise which shall be subject to duty, any material or article designed for use other than in the *bona fide* transportation of such merchandise to the United States, and which, if imported separately, would be subject to a higher rate of duty than the merchandise contained therein, the whole invoice shall be subject to such higher rate of duty, unless the value of the merchandise, and of the article or material covering or holding the same, shall be separately stated in the invoice, in which case the duties shall be assessed and collected on each separately, at the rates prescribed by law: *And provided further*, That, except as provided in this section and in section 17 of this act, duties shall not be assessed upon an amount less than the invoice or entered value of the merchandise."

SEC. 5. That section 8 of the act of March 3, 1883, entitled "An act to reduce internal-revenue taxation, and for other purposes," amending section 2841 of the Revised Statutes of the United States, is hereby further amended so that said section of the Revised Statutes shall be as follows:

"SEC. 2841. Whenever merchandise imported into the United States is entered by invoice, one of the following declarations, according to the nature of the case, shall be filed with the collector of the port, at the time of entry, by the owner, importer, consignee, or agent; which declaration so filed shall be duly signed by the owner, importer, consignee, or agent, before the collector, or before a notary public or other officer duly authorized by law to administer oaths and take acknowledgments, who may be designated by the Secretary of the Treasury to receive such declarations and to certify to the identity of the persons making them; and every officer so designated shall file with the collector of the port a copy of his official signature and seal: *Provided*, That if any of the invoices or bills of lading of any merchandise imported in any one vessel, which should otherwise be embraced in said entry, have not been received at the date of the entry, the declaration may state the fact, and thereupon such merchandise of which the invoices or bills of lading are not produced shall not be included in such entry, but may be entered subsequently.

"DECLARATION OF CONSIGNEE, IMPORTER, OR AGENT.

"I, ——— ———, do solemnly and truly declare that the invoice and bill of lading now presented by me to the collector of ——— are the true and only invoice and bill of lading by me received of all the goods, wares, and merchandise imported in the ———, whereof ——— ——— is master, from ———, for account of any person whomsoever for whom I am authorized to enter the same; that the said invoice and bill of lading are in the state in which they were actually received by me, and that I do not know nor believe in the existence of any other invoice or bill of lading of the said goods, wares, and merchandise; that the entry now delivered to the collector contains a just and true account of the said goods, wares, and merchandise, according to the said invoice and bill of lading; that nothing has been, on my part, nor to my knowledge on the part of any other person, concealed or suppressed, whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that the said invoice and the declaration therein are in all respects true, and were made by the person by whom the same purports to have been made; and that if at any time hereafter I discover any error in the said invoice, or in the account now rendered of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district. And I do further solemnly and truly declare that to the best of my knowledge and belief [insert the name and residence of the owner or owners] is [or are] the owner [or owners] of the goods, wares, and merchandise mentioned in the annexed entry; that the invoice now produced by me exhibits the actual cost [if purchased] or fair market value [if otherwise obtained], at the time or times and place or places when or where procured [as the case may be], of the said goods, wares, and merchandise, including all cost for finishing said goods, wares, and merchandise to their present condition, and no other or different discount, bounty, or drawback but such as has been actually allowed on the same.

"DECLARATION OF OWNER IN CASES WHERE MERCHANDISE HAS BEEN ACTUALLY PURCHASED.

"I, ——— ———, do solemnly and truly declare that the entry now delivered by me to the collector of ——— contains a just and true account of all the goods, wares, and merchandise imported by or consigned to me, in the ———, whereof ——— ——— is master, from ———; that the invoice which I now produce contains a just and faithful account of the actual cost of the said goods, wares, and merchandise, including all cost of finishing said goods, wares, and merchandise to their present condition, and no other discount, drawback, or bounty but such as has been actually allowed on the same; that I do not know nor believe in the existence of any invoice or bill of lading other than those now produced by me, and that they are in the state in which I actually received them. And I further solemnly and truly declare that I have not in the said entry or invoice concealed or suppressed anything whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; that the said invoice and declaration thereon are in all respects true, and were made by the person by whom the same purports to have been made; and that if at any time hereafter I discover any error in the said invoice or in the account now produced of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district.

"DECLARATION OF MANUFACTURER OR OWNER IN CASES WHERE MERCHANDISE HAS NOT BEEN ACTUALLY PURCHASED.

"I, ——— ———, do solemnly and truly declare that the entry now delivered by me to the collector of ——— contains a just and true account of all the goods, wares, and merchandise imported by or consigned to me in the ———, whereof ——— ———, is master, from ———; that the said goods, wares, and merchandise were not actually bought by me, or by my agent, in the ordinary mode of bargain and sale, but that nevertheless the invoice which I now produce contains a just and faithful valuation of the same, at their fair market value, at the time or times and place or places when and where procured for my account [or for account of myself or partners]; that the said invoice contains also a just and faithful account of all the cost for finishing said goods, wares, and merchandise

to their present condition, and no other discount, drawback, or bounty but such as has been actually allowed on the said goods, wares, and merchandise; and the said invoice and the declaration thereon are in all respects true, and were made by the person by whom the same purports to have been made; that I do not know nor believe in the existence of any invoice or bill of lading other than those now produced by me, and that they are in the state in which I actually received them. And I do further solemnly and truly declare that I have not in the said entry or invoice concealed or suppressed anything whereby the United States may be defrauded of any part of the duty lawfully due on the said goods, wares, and merchandise; and that if at any time hereafter I discover any error in the said invoice, or in the account now produced of the said goods, wares, and merchandise, or receive any other invoice of the same, I will immediately make the same known to the collector of this district."

SEC. 6. That any person who shall knowingly make any false or untrue statement in the declarations provided for in the preceding section, or shall aid or procure the making of any such false statement as to any matter material thereto, shall, on conviction thereof, be punished by a fine of not less than $2,000, and by imprisonment at hard labor not more than five years: *Provided*, That nothing in this section shall be construed to relieve imported merchandise from forfeiture for any cause elsewhere provided by law.

SEC. 7. That the Secretary of the Treasury shall grant permission to any firm, individual, or corporation to withdraw from bond, alcohol, or any spirits containing alcohol, subject to internal-revenue tax, in specified quantities of not less than 300 proof-gallons, without the payment of the internal-revenue tax on the same, or on the spirits from which it may have been distilled, for the sole purpose of use in such industrial pursuits as shall be specified in the permit issued by the Secretary of the Treasury, under such regulations and requirements as to stamps, bonds, and other security and safeguards, by methylation or otherwise, as shall be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury: *Provided*, That any person who shall sell, use, or willfully permit the use of spirits withdrawn under this act for any other purpose than that specified herein shall, for each offense, be fined not less than five hundred nor more than five thousand dollars, and be imprisoned for not less than six months nor more than two years: *And provided further*, That any violation of the rules and regulations made by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, in conformity with this act, shall be punished by a fine of not less than fifty nor more than one hundred dollars for each offense.

SEC. 8. That sections 2803 and 3058 of the Revised Statutes be amended to read as follows:

"SEC. 2803. Any baggage or personal effects arriving in the United States in transit to any foreign country may be delivered by the parties having it in charge to the collector of the proper district, to be by him retained, without the payment or exaction of any import duty, or to be forwarded by such collector to the collector of the port of departure, and to be delivered to such parties on their departure for their foreign destination, under such rules, regulations, and fees as the Secretary of the Treasury may prescribe."

"SEC. 3058. All merchandise imported into the United States shall, for the purpose of this title, be deemed and held to be the property of the person to whom the merchandise may be consigned; but the holder of any bill of lading consigned to order and properly indorsed shall be deemed the consignee thereof; and in case of the abandonment of any merchandise to the underwriters the latter may be recognized as the consignee."

SEC. 9. That authority is hereby given to the Secretary of the Treasury, in his discretion, to dispense whenever expedient with the triplicate invoices and consular certificates now required by sections 2853, 2854, and 2855 of the Revised Statutes of the United States; and triplicate invoices and consular certificates shall in no case be required when the value of the merchandise shipped by any one consignor, in any one vessel, at one and the same time, does not exceed $100; and the Secretary of the Treasury, with the concurrence of the Secretary of State, is hereby authorized to make such general regulations in regard to invoices and consular certificates as in his judgment the public interest may require.

SEC. 10. That all fees exacted and oaths administered by officers of the customs, under or by virtue of existing laws of the United States, upon the entry of imported goods and the passing thereof through the customs, and also upon all entries of domestic goods, wares, and merchandise for exportation, be, and the same are hereby, abolished; and in case of entry of merchandise for exportation, a declaration, in lieu of an oath, shall be filed, in such form and under such regulations as may be prescribed by the Secretary of the Treasury; and the penalties for false statements in such declaration provided in the fourth section of this act shall be applicable to declarations made under this section: *Provided*, That where such fees, under existing laws, constitute, in whole or in part, the compensation of any officer, such officer shall receive, from and after the passage of this act, a fixed sum for each year equal to the amount of such compensation received by him for the fiscal year ended June 30, 1885, or a proportionate amount for any part of a year.

SEC. 11. That on all articles exported on and after the passage of this act, and entitled to drawback under sections 3019, 3020, and 3021 of the Revised Statutes of the United States, and under section 10 of the act of February 8, 1875, entitled "An act to amend existing customs and internal-revenue laws, and for other purposes," there shall be allowed a drawback equal to the duty paid on the materials named and described in said laws, without retention of any part thereof: *Provided, however*, That where the amount of drawback is less than $100, the fees of the United States consuls for certifying the foreign-landing certificate shall not exceed 50 cents: *And provided further*, That duties refunded by way of drawback on imported sugar and molasses, or manufactures thereof, shall be ascertained by the same tests as are provided by law to be applied to sugars and molasses when imported; and in no case shall the amount of drawback paid exceed the duty collected on sugar testing one hundred degrees by the polariscope; and all provisions of law inconsistent herewith are hereby repealed.

SEC. 12. That section 2900 of the Revised Statutes be, and hereby is, amended so as to read as follows:

"SEC. 2900. The owner, consignee, or agent of any imported merchandise which has been actually purchased may, at the time, and not afterward, when he shall make and verify his written entry of his merchandise, make such addition in the entry to the cost or value given in the invoice, or *pro forma* invoice, or statement in form of an invoice, which he shall produce with his entry, as in his opinion may raise the same to the actual market value or wholesale price of such merchandise, at the period of exportation to the United States, in the principal markets of the country from which the same has been imported; and the collector within whose district any merchandise, whether the same has been actually purchased or procured otherwise than by purchase, may be imported or entered, shall cause such actual market value or wholesale price thereof to be appraised; and if such appraised value shall exceed by 10 per cent. or more the entered value, then, in addition to the duties imposed by law on the same, there shall be levied and collected a duty of 20 per cent. ad valorem on such appraised value. The duty shall not, however, be assessed upon an amount less than the invoice or entered value, except as elsewhere especially provided in this act."

SEC. 13. That section 2931 of the Revised Statutes be, and hereby is, amended so as to read as follows:

"SEC. 2931. The decision hereinafter described, of the collector of customs at the port of importation and entry, as to the rate and amount of duties to be paid on the tonnage of any vessel, or on any merchandise, and the dutiable costs and charges thereon, shall be final and conclusive against all persons interested in such vessel or merchandise, unless the owner, master, commander, or consignee of such vessel, in the case of duties levied on tonnage, or the owner, importer, consignee, or agent of the merchandise, in the case of duties levied on merchandise, or the costs and charges thereon, shall, within ten days after and not on any day before the ascertainment and liquidation of the duties by the proper officers of the customs, and a statement thereof, and of the date thereof, on the original entry, as well in cases of merchandise entered in bond as for consumption, give notice in writing to the collector, if dissatisfied with the aforesaid decision, setting forth therein, distinctly and specifically, and in respect to each entry, the reasons of his objection thereto, and shall also, within thirty days after the date of such ascertainment, liquidation, and statement, appeal therefrom to the Secretary of the Treasury, who, on receiving such appeal, shall forthwith call upon the collector for a report thereon; and the collector shall thereupon, if he adheres to his decision, set forth, specifically and in detail, to the Secretary, the reasons therefor; and the decision of the Secretary on such appeal shall be final and conclusive, and such vessel or merchandise, or costs and charges, shall be liable to duty accordingly, unless suit shall be brought, within ninety days after the decision of the Secretary of the Treasury on such appeal, for any duties which shall have been paid before the date of such decision on such vessel or on such merchandise, or costs and charges, or within ninety days after the payment of duties paid after the decision of the Secretary. No suit shall be begun or maintained for the recovery of any duties alleged to have been erroneously or illegally exacted, until the decision of the Secretary of the Treasury shall have been first had on such appeal, unless the decision of the Secretary shall be delayed more than ninety days from the date of such appeal. A notice of such ascertainment, liquidation, and statement shall be posted, on the day succeeding the date thereof, in a conspicuous place in the custom-house, accessible to the public, there to remain for ten days, when it shall be removed. The fact of its having been posted shall be noted thereon, signed by the proper officer, and filed with the records of the collector's office; and posting of such notice shall be deemed and taken to be full notice to all parties interested. Whenever there shall, subject always to section 21 of the act of June 22, 1874 (chapter 391), be an amended liquidation or reliquidation, personal notice thereof, in addition to the public notice herein prescribed, shall, in the form and manner to be prescribed by the Secretary of the Treasury, be given to the person or persons who shall have made the original entry; and any such amended liquidation or reliquidation shall be final and conclusive in the same manner as an original liquidation herein referred to, unless the provisions of this section shall have been complied with as to protest, appeal, and suit. And when a suit shall be brought by the United States to recover the additional duties found due on any ascertainment and liquidation thereof, and not paid, the defendant or defendants shall not be permitted to set up any plea or matter in defense excepting such as shall have been set forth in a protest and appeal made as herein prescribed."

SEC. 14. That the section of the Revised Statutes numbered 3012 shall be, and hereby is, amended by adding at the end of said section the following words:

"And there shall be attached to the said bill of particulars, when served as aforesaid, a copy of each and every such protest or notice of dissatisfaction, and of every appeal relied upon by the plaintiff or plaintiffs in said suit; and the said bill of particulars shall declare the date of liquidation."

SEC. 15. That no suit which by this act, or by any law of the United States, is permitted to be begun against a collector of customs to recover money alleged to have been illegally exacted by him on imported merchandise, shall hereafter be begun or maintained in any court of any State of the United States, but each and every such suit shall be begun in the circuit court of the United States for the district in which such alleged illegal exaction shall have been made.

SEC. 16. That section 3012½ of the Revised Statutes shall be, and hereby is, amended so as to read as follows:

"Whenever it shall be shown to the satisfaction of the Secretary of the Treasury (first) that, in any case of unascertained or estimated duties, more money has been paid to or deposited with a collector of customs than as has been ascertained by final liquidations thereof that the law required to be paid or deposited; and also (second) whenever the Secretary of the Treasury shall have decided, on an appeal to him as herein provided, that more money has been paid to or deposited with a collector of customs than the law required; and also (third) whenever any judgment shall have been recovered and entered, in any court of the United States, against a collector of customs, for duties illegally exacted by him on imported merchandise, and a certificate of probable cause shall have been entered in said suit, in compliance with the provisions and requirements of section 989 of the Revised Statutes, from which judgment the Attorney-General shall certify, in conformity with the act of March 3, 1875 (chapter 136), that no appeal or writ of error will be taken by the United States; and from which judgment the Secretary of the Treasury shall also be satisfied that no such appeal or writ of error ought to be taken; and also (fourth) whenever any suit or suits have been begun against a collector of customs to recover money exacted by him and paid under protest, and an appeal, as required by law at the time of importation, and a bill of particulars has been served therein on the defendant or his attorney, as required by such law, and when by the legal effect of any judgment of a court of the United States, satisfactory to the Attorney-General and the Secretary of the Treasury as aforesaid, the said exaction of such duties shall have been declared illegal, and protests, appeals, and bills of particulars have been made according to the law in force at the time of importation, and the proper officers of the customs shall, under the instructions of the Secretary of the Treasury, have reliquidated the entries covered by said suit or suits, and bill or bills of particulars, according to the principles and rules of law prescribed by said judgment, and the district attorney appearing of record for the defendant shall certify that such suits have been discontinued, the Secretary of the Treasury shall, in each and all of the before-mentioned cases, always excepting judgments or "judgment cases" in suits commonly known as "charges and commission" suits, which last named shall only be paid in pursuance of a specific appropriation therefor, draw his warrant upon the Treasurer in favor of the person or persons entitled to the overpayment, or the sum expressed in said judgment, or the sum thus found due on reliquidation of the entries in discontinued suits, including interest and costs payable by law, directing the Treasurer to refund and pay the same out of any money in the Treasury not otherwise appropriated. The necessary moneys therefor are hereby appropriated, and this appropriation shall be deemed a permanent indefinite appropriation."

SEC. 17. That section 2927 of the Revised Statutes is hereby amended by the addition of the following words thereto:

"No allowances for damage to fruits or other perishable goods, wares, and merchandise imported into the United States shall hereafter be allowed in the estimation of duties thereon, except as to seeds and such other commodities as in the judgment of the Secretary of the Treasury do not admit of convenient separation by package or piece; but the importer thereof may abandon to the Government all or any portion of goods, wares, and merchandise of the character last mentioned included in any invoice, and be relieved from the payment of the duties on the portion so abandoned: *Provided*, That the portion so abandoned shall amount to 10 per cent. or over of the total value of the invoice."

SEC. 18. That section 29 of the act entitled "An act to remove certain burdens on the American merchant marine and encourage the American foreign carrying trade, and for other purposes," approved June 26, 1884, is hereby amended by striking out in the first line thereof the word "seventy-six," and inserting in lieu thereof the word "seventy;" so that that part of said section preceding the

word "provided" shall read: "Section 2770 of the Revised Statutes is hereby amended by adding thereto the following."

SEC. 19. That any person who shall give, or offer to give, or promise to give any money or thing of value, directly or indirectly, to any customs officer, in consideration of or for any act or omission contrary to law in connection with or pertaining to the importation, appraisement, entry, examination, or inspection of goods, wares, or merchandise, including herein any baggage, shall, on conviction thereof, be fined not less than $100 nor more than $5,000, or be imprisoned at hard labor not more than two years, or both.

SEC. 20. That any officer of the customs who shall demand, exact, or receive from any person, directly or indirectly, any money or thing of value, in consideration of or for any act or omission contrary to law in connection with or pertaining to the importation, appraisement, entry, examination, or inspection of goods, wares, or merchandise, including herein any baggage, on conviction thereof shall be fined not less than $100 nor more than $5,000, or be imprisoned at hard labor not more than two years, or both; and for the purpose of constituting an offense under this and the preceding section, the giving or offering to give, and the receiving, of any money or thing of value shall be regarded as *prima facie* evidence.

SEC. 21. That section 12 of the act entitled "An act to amend the customs-revenue laws and to repeal moieties," approved June 22, 1874, be amended so that it shall read as follows:

"SEC. 12. That any owner, importer, consignee, agent, or other person who shall, with intent to defraud the revenue, make or attempt to make any entry of imported merchandise by means of any fraudulent or false invoice, affidavit, letter, or paper, or by means of any false statement, written or verbal, or who shall be guilty of any willful act or omission by means whereof the United States shall be deprived of the lawful duties, or any portion thereof, accruing upon the merchandise, or any portion thereof, embraced or referred to in such invoice, affidavit, letter, paper, or statement, or affected by such act or omission, shall for each offense be fined in any sum not exceeding $5,000 nor less than $50, or be imprisoned for any time not exceeding two years, or both; and, in addition to such fine, such merchandise, or the value thereof, shall be forfeited, which forfeiture shall only apply to the whole of the merchandise in the case or package containing the particular article or articles of merchandise to which such fraud or alleged fraud relates; and anything contained in any act which provides for the forfeiture or confiscation of an entire invoice in consequence of any item or items contained in the same being undervalued be, and the same is hereby, repealed."

SEC. 22. That all imported goods, wares, and merchandise which may be in the public stores or bonded warehouses or on shipboard within the limits of any port of entry, or remaining in the customs offices, on the day and year when this act, or any provision thereof, shall go into effect, except as otherwise provided in this act, shall be subjected to no other duty, upon the entry thereof for consumption, than if the same were imported respectively after that day; and all goods, wares, and merchandise remaining in bonded warehouses on the day and year this act, or any provision thereof, shall take effect, and upon which the duties shall have been paid, shall be entitled to a refund of the difference between the amount of duties paid and the amount of duties said goods, wares, and merchandise would be subject to if the same were imported respectively after that date.

SEC. 23. That sections 3011 and 3013 of the Revised Statutes be, and hereby are, repealed as to all importations made after the date of this act.

SEC. 24. That all laws and parts of laws which impose any internal-revenue tax upon snuff, smoking and manufactured tobacco of every description, and upon cigars, cigarettes, cheroots, in all forms, made of tobacco or any substitute therefor, and upon dealers and peddlers therein or manufacturers thereof of every description, whether named expressly or included by implication in any law of the United States, shall be repealed and cease to be in force on and after the 1st day of October, 1886, it being the declared purpose of this act to repeal all forms of internal-revenue taxation upon tobacco of every description on and after the day aforesaid; and all laws now in force whereby farmers and producers of tobacco are restricted in the sale, disposition, and dealing in the same shall be repealed on and after the 1st day of October, 1886.

SEC. 25. That on all original and unbroken factory packages of smoking and manufactured tobacco and snuff, cigars, cheroots, and cigarettes held by manufacturers or dealers at the time such repeal shall go into effect, upon which the tax has been paid, there shall be allowed a drawback or rebate of the full amount of the tax paid; but the same shall not apply in any case where the claim is less than $10 and has not been ascertained or presented within sixty days following the date of the repeal. It shall be the duty of the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to adopt such rules and regulations and to prescribe and furnish such blanks and forms as may be necessary to carry this section into effect.

SEC. 26. That there shall be, and is hereby, appropriated, out of any money in the Treasury not otherwise appropriated, so much money as shall be necessary to repay the rebate provided for under the preceding section of this act.

SEC. 27. That from and after the passage of this act it shall be lawful for any person or persons to manufacture apples, peaches, pears, grapes, plums, berries, and other perishable fruits into brandy and wine, and sell the same, free from any internal-revenue tax or restrictions existing under the laws now in force: *Provided*, That nothing herein contained shall authorize the sale of brandy as herein provided by retail or in less quantities than 5 gallons to any one purchaser: *Provided further*, That nothing herein contained shall be construed to relieve any product of such distillation now on hand from the operation of the law in force when distilled.

SEC. 28. That all laws and parts of laws inconsistent with this act are hereby repealed.

APPENDIX.

A bill to reduce and equalize duties on imports, to reduce internal-revenue taxes, and to modify the laws in relation to the collection of the revenue.

FREE-LIST.

Articles.	Importations for fiscal year 1885.			Present rate of duty.
	Quantities.	Values.	Duties.	
Timber, hewn, sawed, squared, sided, &c.....cubic feet...	73,290	$11,712 00	$928 32	20 per cent. and 1 cent per cubic foot.
Sawed boards, plank, deals, and other lumber.....M feet...	498,682	6,148,069 45	963,768 71	$1 and $2 per M feet.
Hubs for wheels, posts, last and oar blocks, &c.....	.....	59,031 61	11,807 72	20 per cent.
Staves.....	.....	253,703 00	25,370 30	10 per cent.
Pickets and palings.....M feet...	4,698	51,027 26	10,205 45	20 per cent.
Clapboards.....do.....	2,996	41,827 00	4,554 97	$1.50 and $2 per M.
Jute butts.....tons...	78,230+	2,304,553 00	391,153 38	$5 per ton.
Bristles.....pounds...	788,904	941,039 00	118,335 61	15 cents per pound.
			1,526,124 46	

DUTIABLE.

Articles.	Importations for fiscal year 1885.			Estimated duties under proposed bill.	Rates of duty.		Ad valorem equivalents.	
	Quantities.	Values.	Duties.		Present tariff.	Proposed bill.	Present Tariff.	Proposed bill.
Sawed boards, lumber, &c.:							*Per cent.*	*Per cent.*
Planed or finished on one side...M feet...	1,486+	$11,083 36	$2,391 53	$743 00	$1.50 and $2.59 p. M.	50c. per M.....	21.28	6.70
Planed or finished on two sides....do.....	1,561+	24,695 88	3,487 70	1,562 00	$2 and $3 per M.....	$1 per M.....	14.12	6.32
Planed or finished on one side and tongued and grooved, M feet.	277+	3,148 00	832 54	278 00	$3 per M.....	.....do.....	26.45	8.82
Planed or finished on two sides and tongued and grooved, M feet.	241+	2,764 00	846 91	363 00	$3.50 per M.....	$1.50 per M.....	30.64	13.13
Railway bars weighing over 25 pounds per yard, tons.	1,137+	33,990 00	17,831 07	14,783 00	$15.68 per ton.....	$13 per ton.....	25.64	43.49
Steel and part steel railway bars.....tons...	6,649+	212,583 49	112,995 86	86,409 00	$17 per ton.....	.....do.....	53.15	40.64
Iron or steel tee-rails.....do.....	20,014	658 00	403 49	320 00	$20.16 per ton.....	$16 per ton.....	61.32	48.66
Iron or steel flat rails.....do.....	.....	.....	.....	.....	$17.92 per ton.....	.....do.....	.....	.....
Iron or steel fish-plates.....pounds...	306,030	4,346 00	3,825 38	3,060 00	1¼c. per pound.....	1c. per pound.....	88.02	70.42
Horseshoe nails, &c.....do.....	110,680	3,768 50	4,403 20	3,302 00	4c. per pound.....	3c. per pound.....	116.84	87.63
Iron or steel beams, girders, &c.....do.....	4,352,308	54,072 25	54,402 61	43,522 00	1¼c. per pound.....	1c. per pound.....	100.61	80.49
Steel wheels, &c.....do.....	3,465,557	124,263 00	86,638 93	69,311 00	2½c. per pound.....	2c. per pound.....	69.72	55.78
Iron or steel ingots for railway wheels.do.....	1,268,509	25,001 00	25,370 18	19,028 00	2c. per pound.....	1½c. per pound.....	101.48	76.11
Boiler or other plate iron.....do.....	5,355	395 43	66 95	66 95	1¼c. per pound.....	1¼c. per pound.....	16.93	16.93
Sheet iron:								
Common or block, not thinner than No. 20, pounds.	2,042,864	47,539 00	22,471 52	20,429 00	1 1/10c. per pound.....	1c. per pound.....	47.25	43.00
Thinner than No. 20 and not thinner than No. 25, pounds.	2,674,490	98,127 72	32,093 84	32,093 84	1 3/10c. per pound.....	1 2/10c. per pound.....	32.71	32.71
Thinner than No. 25 and not thinner than No. 29, pounds.	1,039,741	36,151 50	15,596 14	16,596 14	1½c. per pound.....	1½c. per pound.....	43.14	43.14
Thinner than No. 29.....pounds...	36,254	1,094 00	328 20	4,000 00	30 per cent.....	1½c. per pound.....	30.00	49.70
Taggers iron.....	3,879,310	113,221 00	33,966 30		30 per cent.....	1½c. per pound.....	30.00	51.30
Round iron, in coils or rods.....	1,642,301	39,048 90	19,695 51	16,413 00	1 3/10c. per pound.....	1c. per pound.....	50.44	42.03
Tin plates.....	505,559,076	16,610,104 56	5,055,590 76	1,000,000 00	1c. per pound.....	2½c. per pound.....	30.44	68.49
Iron or steel rivet, &c., wire rods, not lighter than No. 5.	146,111,277	2,481,632 16	876,666 59	876 666 59	1/8c. per pound.....	5/8c. per pound.....	35.00	35.00

DUTIABLE—Continued.

Articles.	Importations for fiscal year 1885.			Estimated duties under proposed bill.	Rates of duty.		Ad valorem equivalents.	
	Quantities.	Values.	Duties.		Present tariff.	Proposed bill.	Present tariff.	Proposed bill.
							Per cent.	*Per cent.*
Iron or steel rivet, &c., wire rods, lighter than No. 5.	115,211,035	$1,433,145 00	$644,915 25	$250,000 00	45 per cent	$\frac{5}{16}$c. per pound	45.00	64.00
Cotton-ties	32,237,125	464,984 62	162,744 62	62,000 00	35 per cent.	1c. per pound	35.00	69.30
Lead ore or dross.....pounds...	4,218	57 00	63 28	42 00	1½c. per pound	1c. per pound	111.02	74.00
Lead in pigs or bars, molten, old, and refuse, pounds.	5,867,340	143,209 43	117,346 80	88,010 00	2c. per pound	1½c. per pound	81.94	60.46
Lead in sheets, pipe, and shot .....pounds...	971,951	22,217 00	29,158 53	21,869 00	3c. per pound	2½c. per pound	131.24	98.43
Zinc, spelter, and tutenegue, in blocks, &c., pounds.	3,515,840	113,268 00	52,737 63	52,737 63	1½c. per pound	1½c. per pound	46.56	46.56
Zinc, in sheets	1,839,860	64,781 50	45,996 48	36,797 00	2½c. per pound	2c. per pound	71.00	56.80
Zinc, old, worn-out	96,083	1,524 00	1,441 26	721 00	1½c. per pound	¾c. per pound	94.57	47.29
Iron and steel wire cloths and nettings: Smaller than No. 16 and not smaller than No. 26, pounds.	8,795	439 00	395 78	308 00	4½c. per pound	3½c. per pound	90.15	70.11
Smaller than No. 26.....pounds...	186,924	10,860 00	9,326 20	7,477 00	5c. per pound	4c. per pound	86.06	68.84
Wire rope and wire strand: Smaller than No. 10 and not smaller than No. 16, pounds.	51,854	2,362 00	1,555 62	1,426 00	3c. per pound	2¾c. per pound	65.86	60.00
Smaller than No. 16 and not smaller than No. 26, pounds.	119,440	$5,319 00	$4,180 43	$3,583 00	3½c. per pound	3c. per pound	78.59	67.36
Animals live:								
Horses, dutiable.....number...	20,759	1,329,714 26	265,942 85	300,000 00	20 per cent	$10 per head	20.00	12.18
free.....do.....	17,425	1,805,219 00						
Cattle, dutiable.....do.....	79,141	1,174,501 20	234,918 24	250,000 00	.....do	$4 per head...	20.00	18.00
free.....do.....	26,336	1,168,496 00						
Hogs, dutiable .....do.....	1,901	4,316 25	863 25	1,500 00	.....do	$1 per head	20.00	19.47
free.....do.....	342	7,198 50						
Sheep, dutiable.....do.....	33,584	859,712 64	171,942 52	168,038 00	.....do	50c. per head	20.00	18.73
free.....do.....	5,492	37,257 00						
Starch, potato or corn.....pounds...	614,897	14,370 00	12,279 94	9,223 00	2c. per pound	1½c. per pound	85.58	64.00
Starch, rice and other.....do.....	8,298	314 65	207 46	166 00	2½c. per pound	2c. per pound	65.93	52.75
Rice, cleaned.....do.....	58,850,662	1,242,821 68	1,324,139 90	1,324,139 90	2½c. per pound	2½c. per pound	106.54	106.54
Rice, uncleaned.....do.....	10,264,604	209,773 00	153,969 06	153,969 06	1½c. per pound	1½c. per pound	73.40	73.40
Rice, paddy.....do.....	559,670	9,502 00	6,995 87	6,995 87	1½c. per pound	1½c. per pound	73.63	73.63
Rice flour or meal and broken rice.....do.....	38,246,302	672,092 66	134,418 41	75,000 00	20 per cent	20 per cent	20.00	20.00
Oranges in boxes and half boxes..packages...	1,358,389	1,618,718 69	326,647 44	326,647 44	13c. and 25c. per package.	13c. and 25c. per package.	20.00	20.00
Oranges in barrels and other packages..do...	159,260	442,527 83	111,742 23	87,270 00	50c. per barrel, or 20 per cent.	10c. per cubic foot...	27.00	20.00
Lemons in boxes and half boxes.....do.....	1,876,464	2,480,129 50	561,906 42	468,231 00	16c. and 30c. per package.	13c. and 25c. per package.	22.00	18.00
Lemons in packages not provided for..do.....	6,863	30,343 10	6,068 62	5,947 00	20 per cent	10c. per cubic foot...	20.00	18.00
Grapes		257,452 45	51,490 50	64,363 00	.....do	1c. per pound	20.00	25.00
Fruit juice (estimated).....gallons...	200,000	100,000 00	20,000 00		.....do	50c. per gallon	20.00	100.00
Citron, candied (estimated).....pounds...	1,200,000	150,000 00	52,500 00	48,000 00	35 per cent	4c. per pound	35.00	32.00
Orange and lemon peel, candied (estimated), pounds.	2,187,500	125,000 00	43,750 00	43,750 00	.....do	2c. per pound	35.00	35.00
Castile soap..... do.....	3,836,939	229,990 84	45,998 17	47,962 00	20 per cent	1¼c. per pound	20.00	20.80
Glucose.....do.....	2,496,408	68,495 00	13,699 00	7,000,00	.....do	¾c. per pound	20.00	27.33
Cod-liver oil.....gallons...	59,821	57,715 00	14,428 75	11,964 00	25 per cent	20c. per gallon	25.00	20.73
Cement, Portland or Roman.....barrels...	554,396	874,069 94	174,813 99	177,407 00	20 per cent	8c. per 100 pounds...	20.00	20.28
Whiting, or paris white, dry.....pounds...	1,401,783	6,157 47	7,008 91	3,504 00	¼c. per pound	¼c. per pound	113.83	56.92
Glycerine, refined .....do.....	1,604,097	153,813 00	80,204 86	64,164 00	5c. per pound	4c. per pound	52.14	41.71
Fish-glue or isinglass.....do.....	59,178	45,104 12	11,276 03	8,877 00	25 per cent	15c. per pound	25.00	19.68
Castor beans or seeds.....bushels...	262,504	274,394 00	131,252 25	105,002 00	50c. per bushel	40c. per bushel	47.83	38.26
Castor oil.....gallons...	13,937	6,192 00	11,149 80	8,362 35	80c. per gallon	60c. per gallon	180.07	135.05
Acetate of lead, brown.....pounds...					4c. per pound	3c. per pound		
white.....do.....	58,996	2,611 00	3,539 76	2,360 00	6c. per pound	4c. per pound	135.57	90.98
Litharge.....do.....	35,283	1,091 36	1,058 49	706 00	3c. per pound	2c. per pound	96.99	64.66
Orange, mineral, and red lead.....do.....	910,230	36,198 00	27,306,90	22,756 00	.....do	2½c. per pound	75.44	62.85
Nitrate of lead..					.....do	.....do		
Clothing, ready-made, &c., cotton		1,244,097 07	435,423 99	200,000 00	35 per cent	40 per cent	35.00	40.00
Laces, embroideries, &c., linen		1,164,289 02	349,286 71	465,715 60	30 per cent	40 per cent	30.00	40.00
Oilcloth foundations, &c., flax, &c		1,008,75	403 38	352,96	40 per cent	35 per cent	40.00	35.00
Gunny-cloth, not bagging					3c. and 4c. per p'nd.	2c. and 3c. per p'nd.		
Bags and bagging, &c		1,166,288 41	466,515 36	408,200 94	40 per cent	35 per cent	40.00	35.00
Bagging for cotton..... pounds...	235,791	9,994 00	3,536 87	2,947 38	1½c. per pound	1½c. per pound	35.39	29.49
Do .....do.....	3,246	133 00	64 92	56 80	2c. per pound	1½c. per pound	48.81	42.00
Jute.....tons...	14,922+	785,507,00	157,101 00	78,558 70	20 per cent	10 per cent	20.00	10.00
Silks, ready-made clothing, umbrellas, &c...		646,619 49	323,307 25	200,000 00	50 per cent	55 per cent	50.00	55.00
Wool, class 3, valued at 12 cents or less, lbs....	45,073,356	4,572,971 77	1,126,833 90	1,100,000 00	2½c. per pound	3c. per pound	24.64	27.40
Wool, class 3, valued at over 12 cents..do.....	5,708,792	985,478 00	285,439 60		5c. per pound	.....do.....	28.96	
Woolen cloths valued under 80 cents per pound, pounds.	330,371	213,840 75	190,474 11	173,956 56	35c. per pound and 35 per cent.	30c. per pound and 35 per cent.	89.07	81.34
Woolen shawls valued under 80 cents per pound, pounds.	5,608	3,831 50	3,303 92	3,023 52	.....do	.....do	86.25	78.92
Woolen manufactures, unenumerated, lbs ...	29,766	17,698 00	16,612 49	15,124 19	.....do	.....do	93.87	85.45
Worsted cloths valued under 80 cents per pound, pounds.		1,574,073 36	1,067,349 76	400,000 00	24c. per pound and 35 per cent.	35c. per pound and 35 per cent.	68.08	
Clothing, ready-made (woolen).....pounds...	903,273	1,107,103 50	849,314 18	500,000 00	45c. per pound and 40 per cent.	45c. per pound and 45 per cent.	76.71	
Do	333,715	696,597 72	377,295 41	100,000 00	40c. per pound and 35 per cent.	.....do	54.16	
Marble, in block, rough or squared, cubic ft..	395,581+	429,186 00	244,127 72	187,790 54	65c. per cubic foot	50c. per cubic foot	56.88	43.76
Marble, veined, sawed, &c.....cubic feet...	21,760+	43,923 00	23,936 83	21,760 75	$1.10 per cubic foot	$1 per cubic foot	54.50	49.54
Salt, in packages.....pounds...	351,276,969	1,030,028 72	421,532 39	351,276 96	12c. per 100 pounds.	10c. per 100 pounds.	40.92	34.16
Salt, in bulk.....do...	412,322,341	386,796 85	329,857 85	164,928 92	8c. per 100 pounds	4c. per 100 pounds	85.28	42.64
Clay tobacco-pipes		53,053 93	18,568 87	3,500 00	35 per cent	16c. per gross	35.00	50.00
Umber and umber earths, dry.....pounds...	1,198,060	8,504 00	5,990 30	2,995 15	½c. per pound	½c. per pound	70.44	35.22
Ochor and ochery earths, dry.....do	5,312,564	52,824 51	26,562 82	13,281 41	½c. per pound	½c. per pound	50.28	25.14
			18,164,144 44	11,119,692 15				
			11,119,692 15					
			7,044,452 29					
Free-list			1,526,124 46					
			8,570,576 75					
Internal-revenue tax on tobacco, &c., collected in 1885			26,407,088 48					
Total proposed reduction			34,977,665 23					

The American Zollverein or Customs Union of America—Progress of the Movement.

SPEECH

OF

HON. RICHARD W. TOWNSHEND,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, June 30, 1886.

On the report of the committee of conference on the disagreeing votes of the two houses on the amendments of the Senate to the bill (H. R. 6392) making appropriations for the diplomatic and consular service of the Government for the fiscal year ending June 30, 1887, and for other purposes.

Mr. TOWNSHEND said:

Mr. SPEAKER: I am gratified that the conference committee has recommended concurrence in the Senate amendment just read, as follows:

To enable the President to meet unforeseen emergencies arising in the diplomatic and consular service, and to extend the commercial and other interests of the United States, to be expended pursuant to the requirement of section 291 of the Revised Statutes, $50,000, or so much thereof as may be necessary.

In my judgment its importance is due to the fact that under this provision the President may obtain the means which will enable him to properly endeavor to secure the object contemplated in the following joint resolution, which was first introduced in Congress by me on January 7, 1884:

That the President of the United States be, and he is hereby, requested to invite the co-operation of the governments of the American nations in securing the establishment of a commercial league by and between the said nations, to be known as the customs union of America, the arrangement of a common basis of import duties from other countries than those which may compose said league, and that the commercial intercourse among the people of all the American states may be freed from the payment of any customs or other dues whatever; and that a common system of weights and measures may be also established for the purpose of facilitating such intercourse.

By reason of the immense advantage to all concerned of close commercial relations with the countries lying south of us the Chief Executive of the leading Republic in the western hemisphere is warranted inavailing himself of any legitimate means at his command to facilitate future action on this subject even in the absence of legislation. But when, as I shall presently show, he has been virtually authorized by Congress to take this action, I trust that he may feel that a duty is thereby imposed upon him which should be performed as soon as practicable. Before proceeding further I desire to call attention to the fact that, unlike any other that has been previously suggested, this proposition is purely commercial.

All others preceding it touching our relations with the southern countries have been mainly of a political character and involved complications which I do not believe are desirable or compatible with the peace and welfare of our country or other countries on this continent.

This was true of the propositions for alliance with the southern countries under the administration of John Quincy Adams and of the scheme suggested by Mr. Blaine when Secretary of State.

Although the progress in legislation of new movements of such magnitude is usually very slow, yet this has met with very gratifying and rapid success.

It was thought best by the last Congress that before finally considering this proposition more information than we then possessed of the character of the commerce, public sentiment, and feeling of the government officials of those countries should be ascertained; therefore in July following the introduction of that joint resolution the President was authorized to appoint three commissioners to visit the countries embraced in it, who were directed to ascertain the best mode of securing more intimate international and commercial relations with those countries.

The commission was soon thereafter appointed and, as far as its limited time would permit, performed the duty intrusted to it, and has made elaborate and valuable reports, to which I will again refer. These reports were not received in time for further action in the last Congress.

At the beginning of the present Congress I again introduced that joint resolution, and it was referred to the Committee on Foreign Affairs for consideration and report. Other gentlemen, seeing the importance of the movement which I had inaugurated, have, during this session, introduced in both Houses of Congress measures of the same character with more or less elaboration. With but one dissenting voice the Committee on Foreign Affairs of the House has reported with a favorable recommendation a substitute to the same effect.

A more elaborate measure, but of same import, lately introduced in the Senate by Mr. FRYE, has been adopted by that body. The latter designates Washington as the place for the meeting of the assembly, and provides an appropriation of $100,000 to defray its expenses, &c.

It is confidently believed that before the end of the present Congress a measure for the accomplishment of the object embraced in my original proposition will be enacted. But it is not necessary to wait for such final Congressional action, for the reason, as I have already stated, that the amendment under discussion places at the disposal of the President a fund which is sufficient to enable him to invite the co-operation of the American nations and conduct the preliminary proceedings for carrying into effect the main object of the pending measures.

Public sentiment in this country has strongly manifested its approval of this movement. Soon after I first introduced the proposition in Congress it was warmly indorsed and its adoption ably urged by nearly every leading journal of both political parties in all the States of our national Union.

The Democratic national convention of 1884 strongly and expressly indorsed this idea in the following emphatic language:

We favor an American continental policy based upon more intimate commercial and political relations with the fifteen sister republics of North, Central, and South America, but entangling alliances with none.

The Republican national convention of the same year was less pronounced, but it declared in favor of a somewhat similar policy.

Thus it will be seen that this movement has practically received the approval of Congress and the people.

In exercising the authority which I have shown Congress has virtually conferred upon the President he will pursue a policy proclaimed in the platform which he has approved and on which he was elected, backed by an almost unanimous public sentiment. It can not be doubted the President will avail himself of the opportunity afforded by this amendment to discharge promptly an imperative duty which, if successful, will prove a blessing to all the people of the western hemisphere.

The only serious opposition which has been developed to this movement emanates, as might be expected, from the influence of our European competitors in the southern markets. We can not complain of such opposition when we remember that the establishment of an American zollverein will annually transfer hundreds of millions of commerce of the southern countries from the flags of England, France, and Germany to that of the United States.

My proposition was so framed as to exclude European provinces on this continent in order to avoid the direct influence of those nations in the zollverein, and a share in its advantages which would result through their provincial representation.

Already English and German interests have manifested hostility to this scheme, as will be seen by the following editorial of the Two Republics, a prominent journal published in the City of Mexico:

The "congress of American nations" bill has passed the Senate. English and German interests antagonize the act strongly, and the effort to defeat it finally will be powerful. England and Germany are bitterly opposed to any counseling between the states of North and South America. The reason is patent. Germany is the chief influence at this time in Mexican commerce; England is the motive power in the South American trade. Her steamship lines do most of the transportation, her merchants furnish most of the foreign supplies. If the states of the Americas amicably meet and consider their natural commercial relations, the result will very probably be an immediate enlargement of our trade with such states. Our commerce has declined in these directions for a number of reasons. Should the bill mentioned fail to become a law, it will be looked upon and will be a foreign commercial triumph, and means further decadence of our American export trade.

This is a warning that prompt action should be taken by our Government and efficient means employed to promote the formation of the American commercial union in order that American commerce may be controlled by Americans.

A proper consideration of the subject will convince any one that this is the most far-reaching and important before the people of the three Americas, and that it is the duty of every one, who desires to promote the welfare of this country, to see that nothing should be left undone to secure the early success of this movement.

Certainly it will not be antagonized in this country because of differences of opinion on the tariff question. In fact, this proposition will not to any serious extent affect the tariff. Over 82 per cent. of our imports from the southern countries now enter our ports free of duty. The most reliable statistics for 1885 show that of the imports received from those countries in 1885 $66,671,394 entered our ports free of duty, and that duties were collected on only $14,294,598. Therefore but little revenue can be lost to us by this arrangement—a mere bagatelle in comparison with the value of the rich markets we shall secure for our surplus products.

The formation of such a league will render a change in our tariff upon imports from European countries of far less importance than it is now. As I have urged in a previous speech, it is a proposition which protectionists as well as free-traders may consistently favor. For while it does enlarge the area of free trade, it at the same time extends the line of protection for American products against European competition in Mexico, Central and South America.

Some carping critics have doubted the willingness of the southern countries to join us in such a union because, as they assert, the advantages would be largely in our favor. It is gratifying to learn from the report of the commissioner I have mentioned that the statesmen of the southern countries entertain no such narrow views. They see in this scheme what is apparent to all broad minds, that each and all of the American nations—the smallest as well as the largest, the weakest as well as the strongest—will derive inestimable advantages from the formation of an American zollverein. This has been the result in all the countries that entered the German zollverein.

It will be remembered that zollverein was founded by nations as sep-

arate and independent, relatively as different in extent and strength as those existing on the American continent. Customs-houses surrounded the border of each, charging different rates of duties and having different systems of internal revenue.

The marvelously beneficial results and complete success of that zollverein demonstrates the practicability and advantages of a commercial union of a similar character between the countries on this continent. It may be, as was the case in the beginning of the German zollverein, that some of the states of South America will at first hestitate to join the league; but there is no ground to doubt that when they see the mutual advantages which will flow from the trade alliance of their neighbors they will seek admission into the union. I am confirmed in this view, which was expressed by me in my speech in the last Congress, by Mr. Reynolds, one of the members of the commission sent to those countries, who, in a letter addressed last April to the Senate committee concerning Senator FRYE'S bill, says:

It should be distinctly understood, and perhaps be in some way indicated in your bill, that the consent of all the governments invited to the congress will not be indispensable. Power should be given to the President to convoke it, should only some of the governments invited send delegates to it. Diplomatic correspondence, and information heretofore, would indicate that many of those states would, for various reasons, decline the invitation. The countries south of the equator might find it best to form a customs union of their own. Should only the governments of the republics bordering on the Caribbean Sea and Gulf of Mexico—our American Mediterranean—unite in the congress, it should meet without awaiting the action of the other states. A customs union of the latter south of the equator would finally gravitate to a like connection with our own part of the hemisphere, as South Germany did toward the customs union of North Germany.

Indeed enough of the countries embraced in my proposition have already signified their willingness to enter the union to guarantee its success.

It is a source of deep regret that all efforts for close relations with the southern countries prior to the presentation of this proposition have partaken largely of a political character, which, as I have stated heretofore are not desirable or beneficial to any of the states concerned, and would be unwise and impracticable.

If a purely commercial alliance had been sought earlier there is good grounds to believe it would have met with favor from most of the countries of the three Americas.

We have now for the first time been brought directly to the consideration of a union with a purely commercial basis which is practicable and beneficial to all.

Its consummation will prove the wisdom of the present generation and mark an era in the history of this continent ranking in importance with its discovery by Columbus and the establishment of free institutions by the fathers of our great Republic.

The administration which will lead the way to the formation of this union will achieve greater renown than any of its predecessors since the adoption of the Constitution, and will ever be gratefully remembered and admired for having done the greatest good to the greatest number in the western hemisphere, and for having firmly secured the permanent peace, prosperity, and enlightenment of all the nations in America.

SPEECH IN THE LAST CONGRESS.

In order that the purpose and effect of this proposition may be more fully understood, I beg leave to publish with my present remarks a speech on this subject delivered by me in this House on January 10, 1885, and to show the present commerce of those countries I will substitute for my original figures statistics of the latest date, which I have procured in the last few days from the Bureau of Statistics:

Mr. TOWNSHEND. Mr. Speaker, I send to the Clerk's desk a proposition which I intend to offer as an amendment to this bill. It is a copy of a joint resolution introduced by myself in this House January 7, 1884, about one year ago.

The Clerk read as follows:

"That the President of the United States be, and he is hereby, requested to invite the co-operation of the governments of the American nations in securing the establishment of a commercial league by and between the said nations, to be known as the customs union of America, the arrangement of a common basis of import duties from other countries than those which may compose said league, and that the commercial intercourse among the people of all the American states may be freed from the payment of any customs or other dues whatever; and that a common system of weights and measures may be also established for the purpose of facilitating such intercourse."

COUNTRIES EMBRACED IN THE ZOLLVEREIN.

Mr. TOWNSHEND. This is intended to be an initial step for the formation of a commercial league or trades-union of all the independent and sovereign governments of the American continent. It does not include any of the adjacent islands, nor does it embrace any of the provinces of European governments, because I think it best in this scheme to avoid any complications with European governments or interests, and confine it exclusively to American governments. There is more likelihood of securing unity among our own people by avoiding the influence of European powers through their American provinces and thereby avoid disputes among ourselves over the tariff.

It includes only the United States, the republics of Mexico and Central and South America, and the Brazilian Empire.

NOT POLITICAL BUT COMMERCIAL IN ITS NATURE.

This proposition is not political in its character but purely commercial. I do not believe it to be desirable or beneficial for us to make political conquests in any quarter. The welfare of these countries can be best promoted by the continuance of their separate and independent sovereignties. The territory subject to our political power is already large enough. I would rather see our flag supplant that of England over the commerce of the seas, than behold it the symbol of political sovereignty over the whole American continent. We ought not to wish to govern the Spanish-Americans, but to trade with them. They will be unfriendly whenever we approach them with a menace against their independence, but will receive us with open arms when we come with the arts of peace to show them the way and to assist them in the development of their marvelous resources and the promotion of their prosperity.

OBJECT OF THE PROPOSITION.

This proposition it will be seen has for its aim the establishment of free commerce among these countries with a common rate of customs duties against the products of Europeans and others. It contemplates as a basis the same principles as that of the German Zollverein, and would result in bringing about the same freedom of trade on this continent as that which exists among the States constituting our nationality. It would open to our agricultural, manufacturing, and mineral products a free market in these countries, with protection against the competition of England, France, Germany, and the remainder of the world. The American Zollverein would accomplish for the American nations what the German Zollverein has done for the German states. It would develop into vast proportions the trade of the southern countries, which is now so insignificant in proportion to their population and natural resources, for as they become acquainted with our people and observe our mode of living and attainment in arts and sciences their desires for the comfort and conveniences of life will increase.

CAUSE OF PRESENT BUSINESS DEPRESSION.

The present general depression of business, paralysis of manufacturing industries, and low prices of farm products in this country are due to the limited extent of our foreign market. We do not produce too much, but our misfortune is that we can not sell what we produce; therefore, our trade has become stagnant, and unless relief is found greater distress and financial ruin will follow. Bradstreet, in December last, estimated that there were 350,000 unemployed wage-workers in the United States. Three hundred and sixteen thousand two hundred and nineteen of these are enforced idlers. It is also well known that wages have been reduced from 10 to 30 per cent.

EXTENSION OF OUR FOREIGN MARKET THE REMEDY.

Now, how can we find relief from this condition of things? Will diminution of production produce relief? It might increase prices, but it would also increase the cost of living and the number of idle hands and paupers. The surest road to relief lies in the extension of our foreign markets. We must find sale for our surplus products. Where shall we look for these markets? Not to populous and wealthy Europe. She manufactures all the goods she needs, and it is claimed at a cheaper cost than we can furnish them to her. She will take from us only what she is compelled to have—breadstuffs and provisions. But we now supply her with all the agricultural products that she is compelled to take from us.

We can not find the market we seek among the barbarians of Africa. Europe controls the small trade of the few civilized peoples found there. Where, then, can we find this market? Why, sir, it lies at our door. It is nearer to us than to any other commercial nation. It is south and west of us. For the present I will confine my attention to that south of us. It is indeed marvelous, but it is true, that other nations of less enterprise and energy, much farther away, brave the dangers of the Atlantic Ocean, come to our door, and monopolize that market. How strange it is that a prize so much coveted, and in such easy reach, goes to others. Why is it so? Perhaps it is to some extent because we have been so much absorbed in the consideration of domestic issues and local interests that the vision of American statesmanship has only at long intervals been lifted beyond our borders. Let us put aside our domestic wrangles long enough to see if we can not promote the general welfare by finding a foreign market for the fruits of our labor and the employment of our capital.

THE ZOLLVEREIN BETTER THAN RECIPROCITY TREATIES.

I am gratified that the President has taken some steps to enlarge our foreign markets by negotiating the recent reciprocity treaties; and while I am not prepared to say what course I may take with regard to those treaties in their present form, I feel convinced that the proposition which I submit for a customs union will far more effectually accomplish the object we have in view, for the reason that under the most favored nation clauses of existing treaties between the Southern and European countries the same advantages offered us can be secured by them, thereby lessening the value of the privileges which may be obtained by us by such treaties.

But, if the southern countries will enter into such a commercial union with us as I propose we shall secure such exclusive privileges and advantages as will enable us to take away from the European countries most of their valuable commerce on this continent. It would secure freedom of intercourse and exchange with the people of these countries, while at the same time it would set up a barrier against competition from other nations. It is claimed by many that without high protective duties our manufacturers can not compete with European nations within our own borders. How, then, can we hope successfully to do so in foreign lands unless we can obtain privileges not accessible to our competitors. From this point of view it will be admitted that a method must be devised which will restrict the power of our rivals in competing with us or we shall not be able to share to any considerable extent in the trade of the world. I do not admit that tariff protection is essential to commercial success at home or abroad. I will not, however, go into that question here. But will say as enormous tariff duties are laid to raise revenues for the support of the southern governments all can see how greatly the advantage would be in our favor if our products should enter these countries free while European products should continue to be burdened with duties.

WHAT SHALL WE GAIN FROM SUCH A UNION?

Now let us see what we would gain by such an alliance. Fairer lands are not to be found beneath the sun than those lying south of us. Nature with her bounteous hand has endowed them with her richest blessings. She has favored them with more hidden mines of wealth, luxuriant vegetation, majestic trees, luscious fruits, and greater fertility of soil than she has any other. If their population and development of resources were commensurate with the earth's surface which they cover, the states established there would be among the most powerful of the world. It is to the acquisition of such a grand field for American enterprise and commerce that my proposition points the way. It was the land of semi-civilization, learning, wealth, and commerce when our own land was steeped in barbarism, ignorance, and abject poverty. They had educated people, palaces, temples, houses, and cities when the land we occupy was peopled with savages living in wigwams and the open air.

AREA AND POPULATION OF THESE COUNTRIES.

The Bureau of Statistics of the Treasury Department has very kindly furnished me tables showing the area and population of those countries, their capitals and principal seaports, which I will append to my remarks. I am also indebted to that bureau for some other valuable statistics that I may use in my remarks.

From these tables it will be seen these countries cover an area of 8,118,844 square miles, and have a population according to the latest reliable data of 42,770,374. The development of the internal resources of those countries and the more frequent intercourse with our own people which this union will secure, will vastly increase their population, wealth, and importance. This was the immediate effect of the creation of the German Zollverein upon the German states. The great natural advantage which we have over European governments will be seen from an examination of the distances between our chief seaports, those of the southern countries, and England.

Their ports on the Atlantic are part of the same coast-line with New York and New Orleans, and the Pacific ports occupy the same coast-line with San Francisco. We already have a continuous railway for shipments, without breaking bulk, from our railway systems to the heart of Mexico, which might and doubtless will be extended into every country in Central and South America, whereas over 4,000 miles of ocean travel separate their nearest ports from European markets. The natural advantages, with others which would flow from the establishment of this commercial union, ought to give us nearly all the trade with these countries.

WHERE THE SOUTHERN COUNTRIES BUY THEIR IMPORTS.

Let us see from whom they now buy their imports.

The statistics for 1885 show the value of the imports of merchandise into the following nations of Mexico, Central America, and South America from the United States and Great Britain and France, as follows:

Imports of merchandise into—	From United States.	From Great Britain.	From France.
Mexico	$7,370,599	$4,953,445	$3,957,121
Central American states	2,667,943	4,352,593	267,844
Colombia	5,397,412	5,646,625	5,281,586
Venezuela	2,992,968	2,920,873	874,337
Brazil	7,258,035	31,493,866	12,064,304
Uruguay	1,601,759	7,703,489	3,936,414
Argentine Republic	4,327,026	28,277,825	23,007,742
Chili	2,192,672	10,169,233	3,857,911
Peru	735,979	5,259,976	2,039,089
Total	34,544,393	100,777,925	55,286,348

The total foreign commerce during the latest year for which data were attainable was as follows:

Imports of merchandise, coin and bullion	$324,451,314
Exports of merchandise, coin and bullion	390,038,451
Total	714,489,765

Of the $190,608,666 domestic merchandise exported from the United States, Great Britain, and France to those countries, the share of the United States was only $34,544,393, or 18 per cent. And yet we are their closest neighbor and have easiest access to them.

THE TRADE WITH CHILI AND PERU, ETC.

But see how humiliating is the insignificant share which we have in the import trade of Chili and Peru, as compared with that of our European competitors. England imported into these countries, in 1885, $19,390,661; France imported $5,897,000; their imports from the United States were only $2,928,651. England sold them nearly six times as much as we did. The disparity in the trade with Peru is absolutely astonishing. England sold to the Peruvians, $5,259,976, France sold them $1,600,287; and yet, with all our boasted enterprise, we only sold our Peruvian neighbors $735,979, notwithstanding Callao (Lima) lies on the same coast-line with San Francisco, whereas England, after traversing the Atlantic Ocean and incurring the hazards of a voyage around the Horn for a distance of 11,604 miles to the same port, or via Staits of Magellan of 10,162, or else by breaking bulk and crossing the Isthmus of Panama, a distance of 5,912 miles, outstripped us by selling the Peruvians nearly ten times as much merchandise as we did.

Surely these startling figures should put every American statesman on inquiry for some way by which we may obtain at least a fair proportion of the commerce of the continent on which we live. The census of 1880 revealed to us the fact that only 2 per cent. of our manufactures reached the foreign markets. Had it not been for our farm products, which constituted over 77 per cent. of our exports, our foregn commerce and financial condition would be subjects of pity if not contempt with all civilized people. With such facts staring us in the face, is it to be wondered that we have stagnation in business and distress among our people? Can anything else be expected if we lack the wisdom and enterprise to sell our surplus products to our nearest neighbors, who would unquestionably rather deal with us than with countries across the seas? Financial ruin is inevitable to the manufacturer who can not sell his wares or the farmer who can not market his products.

HOW THIS TRADE MAY BE SECURED BY US.

We have the capacity to furnish all the merchandise that goes into these countries; but while of course this can not be expected, yet if the American zollverein is established the foregoing figures would be reversed and our trade would exceed that of combined Europe.

As I have already intimated, the reason assigned by protectionists why our trade in the southern countries is so meager is because, owing to cheaper labor and abundance of capital in Europe, we can not compete with those manufacturing nations. On the other hand, free traders insist that our inability for successful competition arises from the high price of raw material and cost of living, occasioned by high protective-tariff duties. Now, this scheme, if adopted, would obviate the difficulties which both of these theorists claim to exist, for by establishing a common rate of duties on European products, with a free market for all American products, we would be able to undersell our foreign competitors in the southern markets.

NO SERIOUS LOSS OF REVENUE ON ACCOUNT OF THIS UNION.

No serious loss of revenue to the United States would occur, for the reason that over 82 per cent. of our imports from these countries now come to us free of duty. On the other hand, all our exports into those countries are heavily taxed at their custom-houses.

The following table will show the amount of dutiable and free imports into the United States from the nations mentioned during the year ending June 30, 1885:

Countries.	Free.	Dutiable.
Mexico	$5,173,441	$4,093,580
Central American states	6,149,873	259,142
Brazil	38,136,191	7,127,469
Colombia	2,335,083	6,994
Argentine Republic	3,154,337	1,174,173
Venezuela	6,267,887	41,693
Uruguay	2,317,139	417,478
Chili	399,464	205,061
Peru	1,749,632	15,258
All other South American countries	988,347	953,750
Total	66,671,394	14,294,598

Our Louisiana sugar friends need not fear competition from the sugar-planters of those countries, for only $8,057,439 of sugar was imported from all those countries during that year.

Brazil sent us $45,263,660 and only took from us in exchange $7,317,293. Of the whole amount imported from that country $38,136,191 were free of duty, whereas everything sent to Brazil was heavily taxed. Not only does she tax all we send her, but she levies an export duty on all the coffee we buy from her, which constitutes $30,346,792, or over two-thirds of all our imports from that country. Our trade with Brazil is so greatly to our disadvantage as to make it a one-sided affair; she has the lion's share.

EFFECT OF THE ZOLLVEREIN ON COUNTRIES CONCERNED.

I believe that this union would, as in the case of the German Zollverein with Germany, stimulate the development of the resources of all the members of the union, would divert our southern republics from the tendencies to frequent revolution, and turn their attention to the cultivation of the arts of peace, and at no remote day make this the most prosperous continent known in history. It would at once infuse new life into the industries of the United States, and put in operation every silent factory, relight our forges, start every plow in the farm season, give employment to every idle hand, furnish remunerative use for every surplus dollar, and revive our industry of ship-building.

THE WAY TO REBUILD OUR MERCHANT MARINE AND NAVY.

Perhaps there is no public question of paramount importance to that of rebuilding the American merchant marine and navy. I will not dwell here upon the causes which have produced the sad condition of our ocean commerce and the humiliating position of our flag on the seas. All recognize the insignificance of our shipping interest aside from our coastwise service. It has fallen from the proud position of rivalry with the greatest maritime powers under President Van Buren to the foot of the list under President Arthur. Then over 84 per cent. of our imports and exports were carried on American bottoms, now it has fallen to 16 per cent.

Twelve lines of steamers run to Europe from the Argentine Republic, but none to the United States.

It is stated in the daily press that last year only two American vessels sailed from New York to Europe, neither of which were steamers.

We are paying now over one hundred millions annually to foreign ships for carrying our commerce. Nothing can be done, in my judgment, which will more effectually and permanently rebuild our mercantile marine than the establishment of the American customs union.

One of the prime questions to be considered by members of the American customs union would be the means of transit and intercourse. As between the United States and all those countries, except Mexico, the connection will be by water. Articles should be adopted by the Zollverein assembly which would apply the benefits of the freedom of commerce and exchange only to goods carried on vessels owned by the countries forming the union. This is the only method which will secure for us what the President in his last message expressed the hope of obtaining by reciprocity treaties, in which he says:

"First, a series of reciprocal commercial treaties with the countries of America which shall foster between us and them an unhampered movement of trade. The conditions of these treaties should be the free admission of such merchandise as this country does not produce, in return for the admission free of or under a favored scheme of duties of our own products, the benefits of such exchange to apply only to goods carried under the flag of the parties to the contract; the removal, on both sides, from the vessels so privileged of all tonnage dues and national imposts, so that those vessels may ply unhindered between our ports and those of the other contracting parties, though without infringing on the reserved home coasting trade; the removal or reduction of burdens on the exported products of those countries coming within the benefits of the treaties; and the avoidance of the technical restrictions and penalties by which our intercourse with those countries is at present hampered."

I have already stated the reasons why I did not think exclusive advantages can be obtained by such treaties—because existing treaties between those countries and European nations entitle them under the favored-nation clauses to the same benefits and advantages that may be granted to us. But by the establishment of an American Zollverein all countries outside of the verein would be excluded from the benefits and privileges I have indicated. This would give us control of the carrying trade of this hemisphere. It would revive our languishing shipping interest, and lift it from the foot of the list to the highest degree. We would eventually dethrone England's sovereignty of the seas and become the great maritime power of the world; for the great increase which that trade would give to our shipping would enable our ship-owners to compete for a fair share of trade in all the seas. It would send our flag to ports where it is now a stranger, and transport American products under an American flag on American bottoms to the markets of the world.

HOW TO REBUILD THE NAVY.

By rebuilding the American merchant marine we will lay the best foundation for rebuilding the American Navy. In the report of the Admiral of the Navy last year will be found the following observations:

"I have long looked forward to the time when Congress would take some steps toward resuscitating our mercantile marine, which has long been languishing for the want of Government action in its behalf. A large number of merchant steamships would in time of war be an important adjunct to our regular naval force, for many of them would, with comparatively little alteration, make the best commerce-destroyers in the world, and also the best destroyers of commerce-destroyers."

This quotation renders any remarks of my own on this branch of the subject unnecessary.

As the German Zollverein united countries connected by land, no such immense advantages could result to the merchant marine of any of those countries as would be brought about by such a union among the American nations.

THE ZOLLVEREIN WOULD SECURE GENUINE RECIPROCITY.

An "American customs-union" would secure genuine reciprocity of trade and mutual advantage. It would bring to us products not adapted to our climate and which we must have in exchange for our surplus products; these, with but few exceptions, are not produced in those countries. There is a greater degree of reciprocity of trade on lines of longitude than on lines of latitude. In one case there is a similarity of products because of a similarity of climate; whereas in the other the products are different because of a difference of climate, and therefore the necessity and desire for interchange of commodities exist in the highest degree.

The Spanish-American countries have no factories of consequence. They will not, therefore, furnish competition with our manufacturers, but they will need our manufactured articles, as well as our breadstuffs and provisions, and we need their raw materials. Then let us freely trade.

ITS EFFECT ON ISTHMIAN CANAL QUESTION.

If such a league or union should be established it will be a matter of but little consequence by whose capital an isthmian canal is built, whether of France, England, or Germany, or of all united, for the community of interest among the states of the American zollverein would intensify the Monroe doctrine and unite all the members of the union in opposition to any attempt at political or commercial dominance of any European power on this continent.

The difference of weights and measures existing between us can be equalized by the zollverein assembly.

THE MONETARY UNION AND SILVER COIN.

I see no reason why this union could not properly perform the functions contemplated by the excellent suggestion of the President in his last message for the establishment of a uniform currency basis for the countries of America, thereby utilizing the surplus productions of our mines and mints and removing all pretexts for the demonetization of silver. There is no need of the separate existence of what the President calls a "monetary union of America," for the "American customs-union" can carry out his idea, and by it, as he expresses it, the "output of the bullion-producing countries and the circulation of those which yield neither gold nor silver could be adjusted in conformity with the population, wealth, and commercial needs of each."

DISCRIMINATION AGINST AMERICAN PRODUCTS IN EUROPE.

Some European countries have declared war upon the introduction of our meats and breadstuffs into Europe and have adopted measures discriminating against them. Heretofore they have based their opposition to our hog products on the false pretense that they are affected with trichinosis, although the scientists of those countries have by the most thorough and convincing tests demonstrated the absolute falsity of the charge. In February, 1883, the German parliamentary bodies finally adopted enactments prohibiting their importation into that empire. I immediately presented to this House a joint resolution authorizing the President to adopt retaliatory measures against certain German imports; but this was done so near to the close of the then short session that it could not be reached for consideration. I presented a similar measure at the commencement of the next session applicable to other European governments which had pursued the same course, and it was referred to a committee, where it now lies, without final action. Three committees struggled for jurisdiction over that measure when it was presented; but it seems that their zeal over the question has ended.

When it is remembered that statistics show that we have in this country 47 per cent. of all the hogs in the world, I submit that our interest is large enough to deserve some protection against such unjust action.

France soon followed the course of Germany, but not content with assailing our meat product she has restricted the importation of our breadstuff by burdensome taxation.

Emboldened by the supineness of the American Congress in the face of these outrages against our agricultural products, and the indifference manifested for the protection of these interests in the European markets, Austria is advancing to a position of open hostility to all American commerce in Europe.

EUROPEAN COALITION AGAINST AMERICAN FARM PRODUCTS.

She uses no mask of false pretenses that our merchandise is unwholesome, but openly advocates a continental coalition against the importation of any and all American farm products in Europe. To foster their agricultural interests, and prevent competition from American farmers, Austrian statesmen and press advocate the prohibition of our agricultural products as "the only salvation for the European peasant for the future." The Vienna Tagblatt urges as a reason for prohibition that the United States has vastly superior natural advantages in our immense area of fertile lands, capable of permanent and almost unlimited productiveness; that, having no standing army to maintain, the States do not take the working population away from the soil to make soldiers of them; our farmers are free from the immense burdens resting upon the agriculturists of Europe. "Therefore," says the Tagblatt, "American competition can only be overcome by shutting out the American from the European market." And it is asserted that the chief minister, Taaffe, is an advocate of the project.

Time will show whether the consumers in Europe will submit to a policy which will enormously enhance their cost of living, or whether discontent may not only grow into bread riots, but also to such formidable disturbances as will shatter the despotic governments guilty of making such oppressive laws. But there is enough in this movement to warn us that our domestic industries are seriously threatened. England is making considerable headway in finding new sources of supply of her breadstuffs in India, Australia, and other provinces of hers. If she should fall in with the Austrian movement, our agricultural interest will indeed reach a deplorable condition unless we can find an outlet for our surplus in the southern and the Pacific Ocean countries. If we can control the southern markets through the agency of a zollverein, we may not only defy European combination but we shall strike a blow against her manufacturing interest which will do her far more harm than any advantage she may gain by the prohibition of our agricultural products.

EFFECT OF THE ZOLLVEREIN IN GERMANY.

One of the most eminent living political economists has said that the German Zollverein was "the result of the highest sagacity, intelligence, and wisdom." Its wholesome and salutary action caused an immediate and marked improvement in the condition of the German states, and the enlargement of their commerce. The progress of the Saxon cloth manufacturers in three years following their admission to the Union, from 1834 to 1837, is stated in an official report to have been greater than in the thirty years preceding.

PLAN OF THE GERMAN ZOLLVEREIN RECOMMENDED.

The proposition which I submit does not prescribe the terms upon which this union shall be formed. It merely authorizes the President to invite the co-operation of those governments in forming a union upon such conditions as their representatives may after due deliberation determine. There is nothing in this proposition that binds them to any conditions, but they are left perfectly free to decide whether any alliance will be desirable, and, if so, what shall be its nature. I believe they will find the plan of the German Zollverein most desirable. No doubt some of its features will be found incompatible with the institutions and conditions on this continent. All such can be modified or wholly rejected, and others substituted which may be found more suitable.

If the union is formed experience will in time, no doubt, show the need of change in the original terms of its organization, which can be made by the members of the union when their representatives assemble at such stated periods as will be designated; for there should be annual or other regular meetings of the representatives of the nations concerned to consider the general welfare, hear complaints, adjust difficulties, and make such new enactments as may be required.

HISTORY AND NATURE OF THE GERMAN ZOLLVEREIN.

The German Zollverein has been tested by the experience of over sixty years. Such defects as were discovered have been remedied. Its members have during that long period sought harmoniously the utmost degree of practicability. The right and interest of all have been scrupulously guarded and respected. Each and all have derived inestimable advantages from its formation. The smallest and weakest states, as well as the largest and strongest, have been benefited. So successful and beneficent has been its results that the eminent political economist, McCulloch, in his great work, has declared of Prussia, who was chiefly instrumental in forming the union, that—

"Next to the efforts of the Prussian Government to diffuse the blessings of education their efforts to introduce a free commercial system into Germany constitutes their best claim to the gratitude and esteem of their own subjects and of the world."

Mr. McCulloch defines the word zollverein (literally customs union) as a compound word:

"It means the association of a number of states for the establishment of a common customs law and customs line with regard to foreign countries, and the suppression of both for the intercourse of the states with each other within the border line. The compound word, however, has gained the meaning of a proper name for the German customs league."

The character of the zollverein is described as follows by that eminent writer:

The first treaties in furtherance of this object were negotiated by Prussia with the principalities of Schwarzburg-Sondershausen and Schwarzburg-Rudolstadt, in 1818 and 1819, on the principle that there should be a perfect freedom of commerce between these countries and Prussia; that the duties on importation, exportation, and transit in Prussia and the principalities should be identical; that these should be charged along the frontier of the dominions of the contracting parties; and that each should participate in the produce of such duties in proportion to the population. All these treaties subsequently entered into have been founded on this fair and equitable principle; the only exceptions to the perfect freedom of trade in all the countries comprised within the league of tariff alliance being confined, first, to articles constituting state monopolies, as salt and cards in Prussia; second, to articles of native produce burdened with a different rate of duty on consumption in one state from what they pay in another; and third, to articles produced under patents conferring on the patentees certain privileges in the dominions of the states granting the patents. With these exceptions, which are not very important, the most perfect freedom of commerce exists among the allied states.

"Since 1818, when the foundations of the alliance were laid, it has progressively extended till it now comprises more than three-fourths of the Germanic states, exclusive of Austria. Ducal Hesse joined in the alliance in 1828, and Electoral Hesse in 1831; the Kingdoms of Bavaria, Saxony, and Wurtemberg joined it afterward, as have Baden, Nassau, and almost all the smaller states which have since been annexed to or are still nominally independent of Prussia, with the exception of Mecklenburg-Schwerin and Mecklenburg-Strelitz. * * *

"Throughout the whole extent of this immense country, from Aix-la-Chapelle, on the eastern confines of the Netherlands eastward to Tilsit, on the confines of Russia, and from Stettin and Dantzig, southward to Switzerland and Bohemia, there is nothing to interrupt the freedom of commerce. A commodity, whether for consumption or transit, that has once passed the frontier of the league, may be subsequently conveyed, without let or hindrance, throughout its whole extent. Instead of being confined within the narrow precincts of their own territories, the products of each separate country of the alliance may be sent to every one else, so that each may apply itself in preference to those departments in which it has some natural or acquired advantage, and each has to depend for its success, not on the miserable resource of customs regulations, but on its skill and industry. The competition thence arising is most salutary, and, should the peace of Europe be preserved, we run little risk in saying that all sorts of industry will make more progress among the states comprised within the tariff alliance, during the next ten years, than they did during the half-century previous to its being organized.

"An assembly of representatives from the allied states meets annually to hear complaints, adjust difficulties, and make such new enactments as may seem to be required. The Prussian tariff has been adopted, with certain modifications. The duties are received into a common treasury, and are apportioned according to the population of each of the allied states. In addition to its other advantages, the new system has reduced the cost of collecting the duties to a mere trifle compared with its former amount, and has enabled hundreds of custom-houses and thousands of custom officers to be employed in the different departments of industry.

"The discrepancy in weights and measures used in different parts of Germany occasioned considerable inconvenience, and it is important that the equalization of weights and measures, and their reduction to a common standard in all the allied states, is declared to be one of the objects of the league."

In order that the nature of the Zollverein may be fully seen I will append to my remarks a translation of the more important clauses of the customs treaty of March 22, 1883, as I find it in the work I have heretofore mentioned, which clearly present the articles of that union.

WILL THE SOUTHERN COUNTRIES JOIN US IN SUCH A UNION?

It may be that some of the southern countries at first will hesitate to join us in such a league, as was the case at the beginning of the German league, but if only a few of those nations would join us at the beginning I have no doubt all others, seeing the mutual advantages which would flow from such a union, would eventually seek admission into the alliance. This was the history of the German Zollverein. Yeates, in his work on Recent and Existing Commerce, when discussing the zollverein, says:

"Many states delayed joining, in the belief they would lose rather than gain. * * * Others did not like to merge their individuality, trivial as it was, in the convention, and were encouraged in a sort of independence by England and France."

Some who have commented upon this proposition have expressed the belief that the southern countries would not enter into such a union with us, because as they derive most of their revenue from impost duties, the free introduction of American products would supply their markets and diminish their custom receipts to such an extent as to force them to some new method for collecting revenue. But, sir, if the plan of the German Zollverein is adopted, and we should follow the course pursued by Prussia, no such difficulty will arise. Yeates says:

"Prussia made considerable sacrifices to conciliate the numerous German states whose predilections for Austria, jealousy of Prussia, or fears of self-immolation caused them to hesitate in joining the league. Thus, by the stipulation of proceeds according to population, Prussia should have received three-fourths of the tolls, but accepted five-elevenths."

The immense advantages otherwise gained by Prussia as the dominant nation in population, wealth, and industrial development fully compensated for all the sacrifices she made. The enormous advantages which would accrue to us; our superior producing power and capital, and the free introduction of our surplus products in those countries, as well as in many other ways, would undoubtedly far exceed any sacrifices we might make to induce our weaker neighbors to join us in this league. The large increase of our business resulting from our enlarged markets would cause such an increased demand for imports from other countries as would make good any loss of customs revenue by division among the other members of the union.

I shall advert to this question again and show by a comparison of facts and figures, based upon the trade statistics of all the countries which are eligible for membership in the customs league, that we shall gain more by the remission of duties upon our merchandise exported to countries in the zollverein than we shall lose upon the merchandise imported by us from them, and that both we and they shall be gainers as against the countries not admitted into the union.

Several of the southern countries by recently contracting commercial reciprocity treaties with us have manifested a strong desire to establish free commercial relations with us. When the commission authorized at the last session of Congress to gather statistics, &c., of the trade of those countries were in the City of Mexico a few weeks ago President Diaz assured the commission that his government was disposed to do everything possible to build up the trade and to facili-

tate the commercial relations of the two countries. He said Mexico is disposed and prepared to go as far in this direction as the Government of the United States.

The World's International Exposition at New Orleans would have been an auspicious occasion for the assemblage of such a meeting of representatives as is here contemplated, and had this proposition been adopted, as I urged in this House at the last session, time enough would have been afforded for the appointment of representative by all the governments concerned. Even now its speedy adoption as an amendment to this bill would impress the agents and visitors from these countries to the New Orleans Exposition with its importance and practicability, and when they return to their home governments they would no doubt be largely instrumental in securing their favorable action. Some idea of the interest which they have taken in that exposition can be ascertained from the fact that Mexico appropriated $200,000 for her exhibits there, and has erected on the exposition grounds two large and magnificent buillldings in the Mexican style of architecture.

But, sir, even if the representatives of those governments when they assemble should determine that it is unwise or inexpedient to establish such a union and separate without further action, much good would still result from this assemblage in directing the thoughts of the people of those lands to the benefits which will result to the general welfare by the cultivation of more intimate acquaintance and closer commercial relations than now exist.

EFFECT OF THE UNION ON OUR TRADE WITH WEST INDIES, CHINA, ETC.

The successful establishment of this union would lead to better trade relations with the West Indies and the countries bordering the Pacific Ocean, by means of which if we do not outstrip Europe in those markets we may at least obtain the share in that trade which our juxtaposition to those countries and our similarity of political institutions justify.

The West Indies imported	$117,408,154
The West Indies exported	130,530,540
Total	247,938,694
The United States sent there	24,748,226
The United States brought from there	64,577,078
Total	89,325,304

Of the $247,938,694 imported into the West Indies only $24,752,226 came from the United States.

The values of imports and exports of the West Indies here given represent merchandise and specie, and are for the year 1883 with the exception of those in regard to Cuba, which are for the year 1877, the latest years for which the data could be obtained from the statistics of those countries.

According to the latest obtainable data the imports and exports of the West Indies were as follows:

Total value of imports of merchandise and specie	$117,408,154
Total value of exports of merchandise and specie	130,530,540
Total value of imports and exports	247,938,694

During the fiscal year 1883 the imports and exports of merchandise and specie between the United States and the British West Indies were as follows:

Exports of merchandise and specie from the United States	$36,109,109
Imports of merchandise and specie into the United States	92,820,884
Total	128,929,993

Of the value of imports into the West Indies, amounting to $117,408,154 as above indicated, only $36,109,109, or 30.76 per cent., was exported from the United States, but of the exports from the West Indies valued at $130,530,540, $92,820,884, or 71 per cent., was imported therefrom into the United States.

The countries lying in and around the Pacific, facing the west coast of the United States, imported $529,553,000, of which the United States supplied the sum of only $20,497,000, or less than 4 per cent.

RICH RESULTS TO UNITED STATES.

If this Government will lead the way and secure this alliance with the southern countries, we will speedily realize the rich results which will flow from the present southward tendency of material development, such as the projected routes across the isthmus, connecting the two oceans, the extension of our railway system to the City of Mexico, the projected intercontinental railway through Southward Mexico and the fourteen other republics of Central and South America, the steamship lines in operation and projected from our Atlantic, Gulf, and Pacific ports to the Spanish-American ports and the countries in the Pacific.

CAN NOT BE ACCOMPLISHED BY WAR.

What we may achieve by this union can never be conquered by war. We want their friendship and trade. They can be obtained by the arts of peace, but not by the arts of war. For these purposes the pen is indeed mightier than the sword. Treat the southern countries as sisters in an American family of nations and they will follow our lead with love and pride. Such a policy will give us a position and power in the history of the world far greater and more enduring than that which Rome ever achieved by bloody conquests. Her policy provoked the hatred of the world, and she ruled it only so long as she was able to wield the sword of the world.

Peace hath her victories
No less renowned than war.

WHO WILL OPPOSE THIS PROPOSITION?

Now, who is there here that will oppose such a scheme? Will any advocate of protection do so? Surely he will not, for it extends the line of protection beyond the borders of the United States and embraces all the southern nations. It protects our manufactures not only against European competition in the United States but also in Mexico, Central and South America. A protectionist who would oppose this proposal would advocate restrictions upon the commercial freedom among the States of this Republic.

Will any advocate of free trade oppose this proposition? Certainly he will not, for it enlarges the area of free trade and demonstrates its advantages over a restricted market.

Our farmers, mechanics, and capitalists are not afraid of competition from those southern countries. The only class who seem to hesitate moving in the direction I have indicated are politicians who fear to grapple with new questions. Some of them are too busy in the pursuit of office to bestow attention and study upon questions broad enough to embrace a consideration of our commercial relations with the world.

This is not a partisan political question; it rises higher than partisanship; it is a question of the highest statesmanship. I am, however, convinced that the party which shows itself possessed of wisdom and progressiveness sufficient to enable it to rise above merely domestic issues and lead the way to securing our rightful share in the commerce of the world will in the future be awarded the greater glory and renown.

THE REPORT OF THE COMMISSION TO THE SOUTHERN COUNTRIES.

The commission which was authorized by the last Congress and appointed by President Arthur for the purposes mentioned had its origin in the joint resolution I introduced.

The active members of the commission consisted of Messrs. T. C. Reynolds, of Missouri; Solon O. Thacher, of Kansas, and William E. Curtis, of Illinois. In pursuance of the directions of the law they visited most of the southern countries, and have presented elaborate and ably written reports, furnishing valuable information and suggestions, which were submitted to this House last January. Bearing upon the subject under consideration the final report states:

The attainment of closer international and commercial relations between our country and these republics is easily accomplished. Our reports have frequently called attention to the feeling of admiration with which the progress, wealth, and power of our land are regarded by the other countries of the western hemisphere. They one and all find in our history a model for their own institutions, and our moral support and approbation are prized above those of any and all other nations. Hence our advances toward a more perfect understanding and greater confidence will meet with a quick and true response. There will be no prejudices to overcome, no antipathies to remove, few differences of constitutional life to adjust. The result of our observations leads us to believe that these republics have felt that our country heretofore has given them too little thought; that in its greatness and introspection it has failed to take a warm interest in the trials and struggles of peoples who are striving to realize for their own countries something of the peace and prosperity that belong to what they always term "*La Grande Republica.*"

Unless we have been completely misled by the expressions and protestations of the ruling powers of each and every one of the governments we have visited, the only estrangement possible between them and us will flow from our own indifference and neglect. Indeed, we have already lost much that naturally belongs to us from this cause. Every president and cabinet officer, every leading and thoughtful citizen we met joined in the sentiment of gratified surprise that our country had taken the initiative by this embassy in bringing about more cordial and hearty communication between the various republics and our own. In our effort to reach more intimate relations we have, then, this basis of kindness and desire upon the part of those we seek to reach as a foundation for our action. We shall plant seed in a genial soil, beneath a propritious sky.

To the foregoing considerations we may add the beneficial influence of the proposed convention of representatives of the states of the western hemisphere. Our several reports show with what warmth the suggestion has been welcomed by nearly every country we visited. It is cordially indorsed by all save Chili, which only gave a qualified assent.

The general opinions of the governments visited point to the propriety of this country's issuing the call for the convention, fixing time, place, membership, and also suggesting in the invitation a list of topics for discussion, at the same time conceding to every state represented the right to bring forward such other subjects affecting the welfare of all as it may deem best.

Not only should the call and programme emanate from our Government, but the assembly should convene in the United States under its hospitable welcome and direction. The details we do not enter upon, though we may be permitted the quite obvious reflection that the range of topics should be so varied that in some one or more of them each state should feel a particular interest, and the general scope of all tend to the prosperity and common good of all. We can well believe that the discussion of these topics which pertain to the common weal would be followed in each state with profound interest, the conclusions reached, especially if found with much unanimity, of great practical good, and the general result of a joint deliberation of the several peoples on questions of moment to each would inevitably weave into firmer fabric the warp and woof of the threads of friendship and interest and communication reaching from one to all the rest. Neither need we point out the value to our country in many ways of filling the position of a generous host, welcoming to our homes and estates guests whose good opinion we desire to win by sincere courtesy and a just revelation of our noble national character.

To this end the representatives should enjoy extended opportunities to become familiar with the marvelous economies, politics, industry, education, and religion out of which our greatness has sprung. No limited or contracted parsimony should bound our efforts to exhibit in fair colors the magnitude and glory of that temple of freedom in which we worship. Every section of our land would reveal to their eyes, in language stronger than words, the wealth, progress, and happiness that attend a people whose institutions are founded on equality, where the poorest and weakest citizen has his wrongs redressed and his rights protected equally with the strongest and most wealthy. From such a survey they would carry home deeper respect for a country whose religion, unaided by the civil power, builds shrines in every neighborhood where the humblest may kneel and adore according to his conscience, where education rains down on every rank of life manifold blessings, and where obedience to the expressed will of the majority is deemed a sacred duty.

In such a convention could be discussed, as was suggested by some of the states consulted, the plan of agreeing upon a common silver coin which should be current among all the states of the American continent at its face value. This proposition has been favorably entertained by all the governments advised with as one which would add value to the silver product and prove a potent factor in promoting commerce between the countries adhering to it.

The states of Central and South America stand ready to respond heartily to our call for such a convention, and once held it would prove doubtless the forerunner of many more whose influence would be puissant in promoting more intimate relations both international and commercial. * * *

The increase of consumption in the countries of Central and South America is so great that trade is not in such deep grooves as it is where demand and supply remain constant. New enterprises are starting to life in those regions; new merchants and traders, many of them foreigners and some our own countrymen, are engaging in business, and by their push and vim are supplanting those who follow the methods of the past. In this nascent life of trade there is a chance for diversion and division. Our commerce with these countries could be increased immensely were the question of freights resolved as favorably for our manufacturers as it is for the European. The importance of seizing the commerce of a country and turning it into channels friendly to ourselves is the more apparent and pronounced as that country is in a formative state. * * *

All those lands we refer to have scarcely begun to realize the prosperity, progress, and development that await their future. So boundless are the gifts of nature that we can well believe them capable of nurturing millions of people where now are only thousands. So well are these natural resources understood that tides of immigration are flowing thither from many of the overcrowded centers of the Old World. It is an auspicious time for the United States to turn these small currents of trade, soon to be great rivers, into our own harbors.

Commissioner Reynolds in his separate report says:

The chiefs of state in the countries visited were assured that the commission came not to discuss claims or counter-claims, the irritating incidents of ordinary diplomatic intercourse, and with peace in one hand and war in the other, but,

as was said in the address to the President of Mexico, "with peace in both hands." The responses to the commission's addresses (copies of which accompanied the special reports, respectively) and the cordial receptions given to the commission everywhere, by the authorities and private persons, abundantly show that the desire for "intimacy and relationship" was most entirely reciprocated. It will be for the regular diplomatic agents of the Government to avail themselves of this "era of good feeling" in aid of future negotiations about commercial or other questions.

Commissioner Thacher, in discussing this subject before the Senate Committee on Foreign Relations during this session, says:

The wonder remains that notwithstanding all this neglect to cultivate and encourage those nations they still admire our greatness, and long for a nearer bond of union and fellowship. Every line of the reports of the many conferences held by the commission with the representative men of those nations shows how fervently and with what glad surprise our overture for a convention of all the nations of the American continent was welcomed.

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I have no doubt of there being present at the convention when called by our country representatives from every one of the western powers, and that these delegates will be men of great weight at home in all the matters affecting their foreign relations.

Commissioner Curtis in his address before the Senate committee in March last presented some very interesting statistics of our commerce with those countries from which I will quote the following:

South of the Rio Grande and the Gulf of Mexico, in what is known as Spanish America, are about 48,000,000 of people, engaged in a foreign commerce amounting to over $800,000,000 a year. This commerce is about equally divided between exports and imports. The exports consist exclusively of raw products, and always will; while the imports consist of manufactured merchandise. The Spanish-American people have no taste for mechanical industry, and lack the water-power or the fuel to exercise it if they had. They will always be compelled to import all the luxuries and nearly all of the necessaries of life except food, and their wealth must come from the boundless resources with which a prodigal nature has stored the continents.

In 1884 our exports were valued at $733,768,764, mostly manufactured merchandise. Of this amount we exported but $64,719,000 to Spanish America. Our annual mechanical and agricultural products are valued at $15,000,000,000, but we seldom have sold more than $75,000,000 worth of this product to our nearest neighbors, who buy in Europe many times as much as they ever get here.

The statistics given by Mr. Curtis include the European provinces, which are not embraced in those that I have furnished.

We have more trade with either Belgium, Italy, The Netherlands, Spain, Switzerland, Russia, China, Japan, Australia than we have with all of the Central American states combined. We have nearly as much trade with Greece as we have with Chili. We sell more sewing-machines in Switzerland than we sell in Chili, and Switzerland sells Chili more sewing-machines than she buys of us.

England, France, and Germany have secured a monopoly of the trade of Spanish America, by the establishment of quick, regular, and cheap transportation, and we have lost it by neglect. For example, Bolivia has a foreign trade of over $16,000,000 a year, yet the name of that country does not appear in the tables of our Bureau of Statistics. The chief imports of Bolivia are cotton and woolen goods, agricultural implements, mining machinery, hardware, cutlery, clocks, watches, canned goods, and provisions, a list which could be filled in any commercial city of the United States as cheaply as in Europe, and yet the annual reports of the Treasury Department do not show a dollar's worth of commerce between the United States and that country.

The same conditions exist with other nations in quite as startling a form.

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During the last twenty years the value of the exports from the United States to the Spanish Americans was $442,048,975, and during that time we purchased of them raw products to the amount of $1,185,828,579, showing an excess of imports during the twenty years amounting to $765,992,219, which was paid in cash. It will thus be seen that our commerce with Central and South America has left a very large balance on the wrong side of the ledger, while those countries have all the time been buying in Europe the very merchandise we have for sale. Being the very reverse of the United States in climate and resources, they constitute our natural commercial allies, and the exchange should at least be even; but they sell their raw products here and buy their manufactured articles in Europe.

The principal reason for this is that the carrying trade is in the hands of Englishmen. The statistics show, that, of the total imports into the United States from Spanish America, which, in 1884, amounted to $159,000,000, three-fourths were carried in foreign vessels. Of our exports to those countries, amounting last year to $64,000,000, $46,000,000 were carried in American vessels, while only $18,000,000 were carried by foreign vessels. It will thus be seen that nearly everything we buy is brought to us from Spanish America by Englishmen, while nearly everything we sell we have to carry there ourselves. The logic of these facts is irresistible.

The most absurd spectacle in the commercial world is the trade we carry on with Brazil. We buy nearly all her raw products, while she spends the money we pay for them in England and France.

In 1884 of the exports of Brazil $50,266,000 went to the United States, $29,000,000 to England, and $24,000,000 to France. Of the imports of Brazil in 1884, $35,000,000 came from England, $15,000,000 from France, and $8,000,000 from the United States.

The greater part of our exports to Spanish America go to Mexico and the West Indies. Deducting these from the total, it will be found that we buy over 30 per cent. of what the South American countries have for sale, and furnish them only 6 per cent. of their imports. The balance of trade goes on piling up at the rate of nearly $100,000,000 a year.

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The development of the southern half of South America is nearly as rapid as that of the United States. Immigration is flooding in, internal improvements are opening new and fertile fields, and wealth is increasing in a ratio enjoyed by no other section of the globe.

Chili, Uruguay, Paraguay, and the Argentine Republic, almost a *terra incognita* to us, are booming like our Western Territories. In 1876 the imports of the Argentine Republic were valued at $36,000,000; in 1884 they had reached $80,000,000. In 1876 the merchandise brought to that country from England, France, and Germany was valued at only $18,000,000, while in 1884 it was more than $53,000,000. The entire imports from the United States for twenty years were $6,000,000 less than those from the three commercial nations of Europe for the year 1884.

Within the last three months the Government of the Argentine Republic has made contracts for $59,000,000 worth of railway improvements, including a line of road northward into Bolivia, and two lines across the continent to Chili, so as to bring the commerce of the Pacific Slope into the harbor of Buenos Ayres, instead of taking it around the Straits of Magellan.

In 1874 the foreign commerce of Chili amounted to $42,000,000. In 1884 it reached $132,000,000. From $50,000,000 to $60,000,000 in merchandise is imported into Chili every year, of which England furnishes over $20,000,000, France over $12,000,000, Germany over $3,000,000, and the United States $3,000,000.

Adding the imports of Brazil to those of Uruguay, Chili, and the Argentine Republic, it will be found that the aggregate value of manufactured products introduced into those four countries annually reaches the enormous sum of $250,000,000, of which England furnishes nearly one-half, France about $50,000,000, Germany about $35,000,000, and the United States about $17,000,000.

We have no adequate conception of the present magnitude of these markets, nor of their prospective value. The manufacturers of the United States can supply almost every article represented in that $250,000,000, with the exception of a few articles of luxury which we ourselves import. The consumption of cotton goods alone amounts annually to over $65,000,000, and 95 per cent. is supplied by the mills of Manchester.

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Even if the contemplated congress should fail to reach any conclusions upon the subjects proposed for it by Congress, a visit by the leading men of the Spanish-American nations to the United States will be productive of great good.

VIEWS OF THE PRESIDENTS AND PUBLIC MEN OF SOUTHERN REPUBLICS.

The commissioners have furnished us with the views of the presidents of some of the southern republics when this subject was presented to them. I will confine myself to a few brief quotations, which, however, are an index to the sentiments of the statesmen of the southern countries. In the conference with President Diaz, of Mexico, he said:

The Mexican Government was grateful to the United States for sending the commission to Mexico on such a mission, and said that he sympathized deeply and sincerely with the objects it had in view. No one could recognize more fully than he the fact that close commercial relations always resulted in political sympathy and permanent peace, and it was an act to be commended by the whole hemisphere for the United States, the mother of republics, to inaugurate a movement in which not only Mexico but all the republics of Spanish America would commend and join. The purpose of the commission, if accomplished, would, he believed, make peace permanent among all the nations of the western world, and bring to them a fruitful prosperity. Mexico and all the other republics had shown their faith in the political institutions of the United States by imitating its form of government, and still looked to it for encouragement and example.

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He said he had always hoped such an international congress would be some time held, as he believed great good could be accomplished if all the American republics would consent to send delegates to meet upon an equal footing and agree upon measures for the common welfare.

The chief object to be discussed at such a gathering would naturally be a method of arbitration by which international differences could be peacefully adjusted: and another, equally important, was to confine American trade, so far as possible, to American nations.

The President of Venezuela was very cordial in his response:

I respond in the most frank and cordial manner to the expressions of good will of your Government, and I view the very elevated object of your mission from the standpoint of its great importance.

Venezuela and the United States have the same institutions, the same history. They produced the immortal George Washington, "the first in the hearts of his countrymen," and Venezuela produced the immortal Bolivar, the father of five republics, freed by the impulse of stupendous efforts. Both of them honored by the recognition of the two confederacies, they are to-day the faithful representatives of the association of our interests and aspirations—equality before the law and the truth of democracy.

With these lofty motives the people of the New World aspire by union to seek the development of their industrial and commercial prosperity and to cement the alliance of views and intents in the reign of equity and the empire of justice.

The President of Guatemala, in reply to the commission, said:

It is the source of the greatest gratification to me to receive from your hands the autograph letter by which his Excellency the President of the United States has accredited you as envoys extraordinary and ministers plenipotentiary to my government. From the very beginning we have embraced with the greatest ardor the plan of the American Congress to send a commission to the Spanish American republics for the purpose of securing more intimate and friendly relations between them all.

Such a noble and elevated purpose can not but have the sincerest sympathy and co-operation from all those who desire the progress of the several nations of the New World, so that in having the honor to receive you and give you a most affectionate welcome, it is gratifying to be able to assure you that you will find on the part of the Government and the people of Guatemala a sincere disposition to aid in the success of your most important mission.

The grand Republic of the United States is the natural market for the different products we export, and they should find in your rich and populous consumers who are able to send us in return the great variety of their agricultural and mechanical products with benefit to the producers and consumers of both countries.

Guatemala has always endeavored to maintain the greatest harmony with the nations which honor us with their friendship, and it has always endeavored very especially to strengthen more and more the cordial relations which have forever existed between this country and the United States, so that when you come, vested with an exalted duty by the grand American Government, inspired with the benevolent sentiments which you have just uttered, I have the honor to congratulate myself upon your arrival, and promise to leave nothing undone to make your visit a success, and enter into bonds with you to unite more closely two peoples which by their analogous institutions, by their geographical positions, and many other circumstances and considerations, should establish a more active and lucrative commerce.

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Although Chili has seemed less friendly to us and more under the influence of England than any of the other southern countries, yet the president of that republic among other things said in reply to our commission:

The extraordinary progress of the United States, independent of the advantage gained by the extension of its area, of its geographical position, and the elements which constitute its social organization, is due to the liberal institutions under which the people are governed, and by which it has been proven

that the free people are those that really prosper, and are the only ones that have peace as the essential condition of material, intellectual, and moral progress.

The South American republics when they made themselves free had in the northern zone an authority they could consult and an example they could follow. If owing to reasons which are well understood they could not copy the edifice you have framed, they have always endeavored at least to inspire in their own people the ideas which have enabled you to advance so resolutely on the road of human liberty and progress. If on this road so happily trodden the American constellation has added to its stars, it is also true that the southern star, following with no less certainty in the same heavens, and pursuing the same purpose, shines to-day with greater splendor and shows that we have not been amiss in seeking the path to glory, liberty, and prosperity.

CENTENNIAL CELEBRATION AND WORLD'S EXPOSITION OF THE THREE AMERICAS.

As the question is now pending for Congressional action, it is proper that I should, before concluding my remarks, call attention to the inauguration of a movement by prominent citizens of Washington and Baltimore for the celebration at the national capital by the republics of America of the centennial anniversary of the adoption of the Constitution of the United States, in 1889, and the opening of a world's exposition in 1892, in honor of the four hundredth anniversary of the discovery of America by Columbus.

Those who have charge of this movement are gentlemen of high character, ability, and energy.

Movements of similar character have also been started in Saint Louis, Chicago, and New York as competitors for the location of this celebration and exposition. Without at this time discussing the question of location, I desire to express my gratification that such widespread interest is felt in the commemoration of events of such transcendent importance, which will no doubt result in bringing the peoples of America in closer friendship and commercial relations. No matter what location may be finally selected all patriotic Americans should join in seeing that these events are crowned with success surpassing any similar efforts of the kind in the history of the world.

Senator GORMAN, of Maryland, has introduced in the Senate a resolution in regard to the movement for the location at Washington, and he presented a memorial in support of this movement, which is signed by Hon. William B. Webb, of Washington, as chairman, and Mr. Alex. D. Anderson, as secretary; both are gentlemen of high character, fine abilities, and well qualified for the important and difficult duties of these positions.

I will quote the following extracts from the memorial, which are of general interest:

[Permanent Exposition of the Three Americas: To be located at the Capital of the United States. Constitutional Centennial Celebration in 1889 by the sixteen American Republics in honor of the one hundredth anniversary of the Constitution of the parent Republic, the United States. World's Exposition in 1892 in honor of the four hundredth anniversary of the discovery of America by Columbus.]

OFFICE OF THE BOARD OF PROMOTION,
Willard's Hotel, Washington, D. C., April 21, 1886.

To Congress:

In three years from the 4th of last March the Constitution of the United States will have completed the first century of its existence.

Six years from the 12th of next October will be the four hundredth anniversary of the discovery of America by Columbus.

These are great historical events of national, hemispherical, and world-wide importance, which should be celebrated in a manner becoming the dignity, wealth, and grandeur of the United States and of the three Americas. Pride, as well as self-interest, in the success and advancement of republican and American institutions require that all Americans unite in paying tribute to these anniversaries.

Your attention is therefore respectfully invited to some suggestions in regard to the ceremonies which it seems to us would be appropriate, and to a proposed permanent exposition which should remain as a lasting monument in honor of these events. They are simply suggestions thrown out to attract other suggestions and to stimulate discussion of a subject which is of transcendent political and practical importance to the whole western hemisphere.

To prevent any possible misunderstanding, it may be well to state, at the outset, that we, who are advocating the proposed celebrations and expositions at the national capital, desire that they be entirely under the auspices and control of the General Government. Both the magnitude and dignity of the project forbid its management by a private corporation.

The subject of an exposition in 1892 has already been carefully considered in several American cities besides Washington.

More than a year ago a committee of representative and progressive citizens was appointed in Saint Louis to take steps toward its acquisition for that metropolis of the Mississippi Valley. They secured the indorsement of a national convention of fair and exposition managers, and have, since then, kept the subject prominently before the press and public.

During the past four or five months Chicago, with its usual enterprise, has held several meetings to arrange for an exposition there in 1892, which movement is cordially indorsed by the press and public of that city.

During the past four months a promoting organization has been perfected in the City of Mexico, composed chiefly of members of the press, to capture the same exposition. They have already appealed to the general government of their republic, and an early and favorable response is expected.

A year ago a meeting of some two or three hundred Spaniards and Spanish Americans were held at Tammany Hall, New York city, to take preliminary steps toward a celebration in 1892 in honor of Columbus.

Recently the subject of a world's fair in New York, in honor of the centennial of the adoption of the Constitution of the United States, has been discussed in that city.

Recently, also, a bill was introduced in the United States Senate providing for a constitutional centennial celebration at Washington in 1889 by the sixteen American republics, in honor of the one hundredth anniversary of the Constitution of the parent Republic—the United States.

In brief, two points are already settled by public opinion: first, that these great historic events must be duly celebrated in some American city; and, second, that the exposition proposed in their honor should be the greatest the world ever witnessed.

Now, it is evident that great world's fairs can not be successfully held in four American cities at the same time. In this connection the mind naturally turns toward Washington, the capital of the United States—the capital of the leading nation of the three Americas—the Paris of America in attractions and beauty, and a city destined to be the Berlin of America in educational advantages. It is, therefore, a city upon which all others can unite—the truly representative city of the western hemisphere.

* * * * * * *

It would, in effect, be a permanent congress of the three Americas, something in harmony with the spirit of the times, as is evidenced by the numerous bills recently introduced in the Senate and House providing for a temporary convention of American nations.

For the first time in the four hundred years since their discovery by Columbus the three Americas are beginning to appreciate the transcendent importance of a more intimate acquaintance with each other. Both political parties in the United States are committed to this idea in their recent national platforms, and public sentiment demands the inauguration of an hemispherical policy based upon more intimate social and commercial relations between the various sister states of all the Americas.

* * * * * * *

But new markets for surplus manufactures are only a portion of the benefits which the United States will derive from the proposed exposition.

According to a recent and elaborate report to the State Department by one of our consuls abroad, citizens of the United States alone spend each year in Europe for travel pleasure, art, education, and similar purposes upward of $100,000,000. The Spanish-American republics and Brazil do the same thing on a smaller scale, but perhaps nearly as much in the aggregate. Why not make the art, educational, and other attractions and advantages of Washington such that a large portion of this enormous capital will be kept at home and European travel and capital attracted here? It can be done if the permanent exposition is carried out on the scale and in the manner proposed.

The capitals of most of the prominent European nations have had world's fairs; London in 1851, Dublin in 1853, London in 1862, Paris in 1867, London in 1871, Vienna in 1873, and Paris in 1878.

It is time the capital of the United States should profit by their example in this respect, and there is no time to lose if we are to have an exposition in 1889, 1892, and permanently thereafter.

It will require one year for the necessary legislation by Congress, at least another for legislation by the forty-six States and Territories and the various nations of the other Americas, leaving but one year before the centennial of the Constitution, and four years before the four hundredth anniversary of the discovery of America for the erection of permanent buildings, the collection of exhibits, and other necessary work.

It is evident, therefore, we can do but little more than inaugurate the enterprise in 1889, leaving the grand consummation for 1892.

No occasion could be more appropriate for such an inauguration than the 4th of March, 1889, the one hundredth birthday of the Constitution, and the date of the inauguration of the next President of the United States, in which celebration the presidents of the fifteen American sister republics, whose organic laws are, to a greater or less extent, copied from our Constitution, should be invited to participate.

When the exposition is complete, in 1892, the President of the United States, the presidents of the fifteen American sister republics, the Emperor of Brazil, the Governor-General of Canada, the King of Italy, where Columbus was born, and the Queen of Spain, from which country he sailed, should unite in unveiling a colossal statue of the illustrious discoverer of America, which statue should be located in the center of the permanent exposition grounds at Washington.

The first century of the Republic has been mainly devoted to home affairs, the formation and perfection of constitutional government, the material development of the great interior, the adjustment of sectional disputes, and the construction of transportation routes to the seaboard.

The time has now arrived when the United States is entering upon what may be termed the international era of its existence and a broader field of action.

We therefore respectfully submit that the proposed permanent exposition of the three Americas is in accord with the spirit of the times, and that it will exert an educational, industrial, commercial, and political influence of great practical importance and value.

Very respectfully,

WM. B. WEBB, *Chairman.*
ALEX. D. ANDERSON, *Secretary.*

COMMERCE OF THE SOUTHERN COUNTRIES.

I desire to present the following tables, as appendices—a revision of the tables presented to my former speech.

APPENDIX I.

Population of the capitals and principal seaports of Mexico and South America.

Capitals and seaports.	Year.	Population.
MEXICO.		
Mexico	1882	300,000
ARGENTINE REPUBLIC.		
Buenos Ayres	1882	295,000
BOLIVIA.		
La Paz	1880	26,000
Puerta de la Mar	1858	2,300
BRAZIL.		
Pará	(*a*)	20,000
Natal	(*a*)	10,000
Pernambuco	1883	130,000
Macayo	(*a*)	20,000
Bahia (San Salvador)	1883	140,000
Rio de Janeiro	1883	350,000
BRITISH GUIANA.		
Georgetown	1871	36,562
New Amsterdam	1871	5,437
CHILI.		
Santiago	1884	200,000
Valparaiso	1884	95,000
DUTCH GUIANA.		
Paramaribo	1881	27,416
ECUADOR.		
Guayaquil	1878	40,000

Population of the capitals and principal seaports, &c.—Continued.

Capitals and seaports.	Year.	Population.
FALKLAND ISLANDS.		
Stanley Harbor	1853	450
FRENCH GUIANA.		
Cayenne	1866	8,000
PARAGUAY.		
Asuncion	1879	22,000
PERU.		
Lima	1874	101,488
Callao	1871	40,000
Islay	1870	2,000
Arica	1871	5,000
Iquique	(a)	1,000
Payta	(a)	2,000
URUGUAY.		
Montevideo	1884	104,472
UNITED STATES OF COLOMBIA.		
Bogota	1881	100,000
Colon (Aspinwall)	(a)	12,000
Panama	1881	25,000
Cartagena	1872	25,000
VENEZUELA.		
Caracas (with suburbs)	1883	70,509
Cumana	1881	12,057
Puerto Cabello	1881	10,145
Maracaibo	1881	22,224
Barcelona	1873	7,647

(a) Not stated.

APPENDIX II.

Statement showing the area in square miles and the number of inhabitants of Mexico, Central America, and South America, compiled from the latest and most reliable sources.

Countries.	Year.	Area.	Population.
		Sq. miles.	
Mexico	1882	741,598	10,447,974
CENTRAL AMERIGA.			
Guatemala	1885	41,830	1,284,604
Honduras	1881	47,090	351,700
San Salvador	1883	7,226	613,273
Nicaragua	1883	58,167	275,815
Costa Rica	1884	26,040	210,177
SOUTH AMERICA.			
Venezuela	1884	632,695	2,121,988
United States of Colombia	1881	504,773	4,000,000
Ecuador	1878	248,370	946,033
Peru	1878	503,380	3,374,000
Bolivia	1881	475,000	2,303,000
Chili	1884	182,790	2,415,621
Argentine Republic	1882	1,357,896	2,942,000
Uruguay	1883	73,538	520,536
Paraguay	1879	91,980	346,046
Brazil	1883	3,287,964	12,002,978
Falkland Islands	1881	6,500	1,583
		8,286,837	44,157,328

Sources of information: Johnston's Gazetteer, Almanach de Gotha, Statesman's Year Book, Whitaker's Almanack, Behmand Wagner's Population of the World, Annales du Commerce Exterieur, Spofford's American Almanac.

APPENDIX III.

Comparative statement showing the value of the foreign commerce (imports and exports of merchandise and specie) of Mexico, Central America, the West Indies, and South America, during the below specified years.

[Compiled from the original official publications and from other trustworthy sources.]

Countries.	Year.	Imports.	Exports.	Total imports and exports.	Year.	Imports.	Exports.	Total imports and exports.	Total imports and exports in 1883 in excess over 1870.	Per cent. of excess.
Mexico	1873	$29,552,433	$31,594,005	$61,146,438	1883	a$27,300,856	$41,807,595	$69,108,451	$7,962,013	13.02
Central America:										
Guatemala	1870	1,844,893	2,472,707	4,317,600	1880	2,883,760	4,202,273	7,086,033	2,768,433	.....
Costa Rica	1870	2,825,135	3,042,772	5,867,907	1884	3,521,922	4,219,617	7,741,539	1,873,632	.....
Honduras	1870	b1,200,000	1,300,000	2,505,000	1884	1,500,000	1,600,000	3,100,000	595,000	.....
Nicaragua	1869	914,648	924,031	1,838,679	1884	3,794,981	4,904,648	8,699,629	6,860,950	.....
San Salvador	1870	4,038,718	3,757,324	7,796,042	1884	2,646,628	6,065,799	8,712,427	916,385	.....
British Honduras	1870	897,081	876,980	1,774,061	1883	1,311,957	1,473,917	2,785,874	1,011,813	.....
Total Central America	.....	11,720,475	12,378,814	24,099,289	.....	15,659,248	22,466,254	38,125 502	14,026,213	58.20
West Indies:										
Spanish West Indies:										
Cuba	1862	38,220,521	51,302,571	89,533,092	1877	58,432,165	66,779,204	125,211,369	35,678,277	.....
Porto Rico	1870	13,008,200	7,820,939	20,829,139	1883	12,751,905	10,922,141	23,674,046	2,844,907	.....
Hayti	1869	2,696,518	4,413,331	7,109,849	1882	1,839,479	b3,000,000	4,839,479	2,270,370	.....
San Domingo	1869	2,530,580	3,357,885	5,888,465	1883	1,179,349	4,750,984	5,930,333	41,868	.....
British West Indies:										
Bahamas	1870	1,381,490	925,866	2,307,356	1883	1,134,595	718,422	1,853,017	454,339	.....
Turk's Island	1870	172,006	91,758	263,764	1883	119,511	160,526	280,037	16,273	.....
Jamaica	1870	6,327,482	6,240,895	12,568,377	1883	7,747,283	7,151,064	14,898,347	2,329,970	.....
Windward Islands:										
St. Lucia	1870	517,236	716,213	1,233,449	1883	930,431	1,040,569	1,971,000	737,551	.....
St. Vincent	1870	669,017	1,076,178	1,745,195	1883	721,633	811,499	1,533,132	212,063	.....
Barbadoes	1870	5,206,513	4,735,202	9,941,715	1883	5,622,471	5,553,329	11,175,800	1,234,085	.....
Grenada	1870	508,428	618,941	1,127,369	1883	658,267	941,785	1,600,052	472,683	.....
Tobago	1870	299,037	402,051	701,088	1883	228,740	233,767	462,507	238,581	.....
Leeward Islands:										
Virgin Islands	1870	38,377	33,131	71,508	1883	35,535	24,454	59,989	11,519	.....
St. Christopher	1870	954,082	1,333,810	2,287,892	1883	1,001,467	1,227,662	2,229,129	634,980	.....
Nevis	1870	264,182	312,035	576,217	1883	893,664	1,083,653	1,977,317	39,526	.....
Antigua	1870	798,972	1,138,819	1,937,791	1883	142,369	153,266	295,635	41,438	.....
Montserrat	1870	112,139	142,058	254,197	1883	347,127	307,972	655,099	58,850	.....
Dominica	1870	293,343	302,906	596,249	1883	12,959,596	13,074,679	26,034,275	14,742,769	.....
Trinidad	1870	5,074,192	6,217,314	11,291,506	.....	.....	.....	.....	.....	.....
Total British West Indies	.....	22,616,496	24,287,177	46,903,673	.....	32,542,689	35,482,647	68,025,336	21,121,663	45.03
French West Indies	1871	9,927,200	7,739,300	17,466,500	1882	10,661,486	15,595,246	26,256,732	8,790,232	.....
Dutch West Indies	1881	1,081	318	1,399	1881	1,081	318	1,399	0	.....
Danish West Indies	.....	(c)	(c)	.....	.....	(c)	(c)	.....	.....	.....
Total West Indies	.....	88,810,596	98,921,521	187,732,117	.....	117,408,154	130,530,540	250,938,694	63,206,577	33.67
South America:										
Guiana, French	1871	1,537,171	109,263	1,646,434	1882	1,537,171	109,213	1,646,434	0	.....
Dutch	.....	(b)	(b)	.....	.....	(c)	(c)	.....	0	.....
British	1870	9,232,227	11,598,923	20,831,150	1883	10,825,125	15,436,596	26,261,721	5,430,571	.....
Venezuela	1871	4,058,609	6,251,677	10,310,286	1876	2,903,371	3,109,737	6,013,108	4,297,178	.....
United States of Colombia	1870	3,901,930	7,783,407	11,685,337	1882	12,355,555	18,514,116	30,869.671	19,184,334	.....
Ecuador	1869	(b)	3,113,017	3,113,017	1882	(c)	4,408,653	4,408,653	1,295,636	.....

Comparative statement showing the value of the foreign commerce, &c.—Continued.

Countries.	Year.	Imports.	Exports.	Total imports and exports.	Year.	Imports.	Exports.	Total imports and exports.	Total imports and exports in 1883 in excess over 1870.	Per cent. of excess.
South America—Continued.										
Peru	1870	$5,597,000	$11,194,000	$16,791,000	1877	$19,488,351	$32,006,423	$51,494,774	$34,703,774	.....
Bolivia	1870	5,079,840	c7,561,825	12,641,655	1881	4,956,900	7,561,825	12,518,725	122,940	.....
Chili	1870	38,640,010	28,615,020	67,255,030	1883	49,655,720	72,716,088	122,371,808	55,116,778	.....
Argentine Republic	1870	38,464,816	29,651,585	68,116,401	1883	77,620,574	58,100,697	135,721,271	67,604,870	.....
Uruguay	1870	15,207,813	12,954,623	28,162,436	1882	18,941,777	22,993,990	41,935,767	13,773,331	.....
Paraguay	1873	1,000,000	954,000	1,954,000	1881	1,225,500	1,832,550	3,058,050	1,104,050	.....
Brazil	1870	84,449,419	109,128 291	193,577,710	1882	100,525,862	118,323,551	218,849,413	25,271,703	.....
Falkland Islands	1870	100,230	96,814	197,044	1883	257,501	411,672	669,173	472,129	.....
Total South America	.....	207,269,065	229,012,445	436,281,510	.....	300,293,407	355,525,161	655,818,568	219,537,058	50.32
Total group	.....	337,352,569	371,906,785	709,259,354	.....	460,661,665	550,324,550	1,013,991,215	304,731,861	42.96

a 1875. b Estimated. c Not obtainable.

NOTE.—It is estimated that 4.6 per cent. of the total value of imports, and 5.4 per cent. of the total value of exports, represent gold and silver coin and bullion.

APPENDIX IV.

Statement showing the values of domestic merchandise exported from the United States during the year ending June 30, 1883, to Spanish West Indies, Mexico, the Central American States, the United States of Colombia, Venezuela, Brazil, Uruguay, the Argentine Republic, Chili, and Peru, respectively, compared with like exports to the same countries from the United Kingdom, France, and Spain during the calendar year 1884, and from Germany during the calendar year 1882.

SPANISH WEST INDIES.

Articles.	From the United States.	From the United Kingdom.	From France.	From Germany.*	From Spain.
Breadstuffs:					
Wheat	$786	.....	.....	.....	.....
Wheat flour	1,309,364	.....	.....	.....	$1,684,927
All other	161,631	.....	.....	.....	505,069
Total	1,471,781	.....	.....	.....	2,189,996
Chemicals, drugs, dyes, and medicines	197,040	$50,256	$57,595	.....	92,143
Coal	389,550	303,709	.....	.....	.....
Cotton, manufactures of	221,665	2,415,531	61,472	.....	903,541
Earthen, stone, and china ware	2,818	79,601	20,479	.....	30,592
Fancy articles	55,069	.....	80,755	.....	100,113
Fish	121,770	.....	.....	.....	12,063
Flax, hemp, and jute, manufactures of	166,573	1,485,825	92,014	.....	354,151
Fruits	21,427	.....	.....	.....	1,335,031
Glass and glassware	64,210	54,155	.....	.....	.....
Iron and steel, and manufactures of	652,967	1,161,108	24,436	.....	39,470
Jewelry, and manufactures of gold and silver	1,575	.....	42,609	.....	.....
Leather, and manufactures of	56,875	.....	129,753	.....	1,714,451
Malt liquors	20,339	91,758	.....	.....	5,997
Paper and stationery	205,168	.....	57,761	.....	360,199
Provisions, comprising meat and dairy products	2,781,149	.....	36,365	.....	106,166
Rice	124	.....	.....	.....	61,552
Silk, manufactures of	.....	.....	24,192	.....	33,076
Soap	2,098	.....	.....	.....	659,529
Spirits, distilled	777	.....	7,254	.....	175,384
Umbrellas and parasols	.....	.....	.....	.....	.....
Vegetables	334,430	.....	.....	.....	62,094
Wearing apparel	(a)	112,450	62,965	.....	84,407
Wines	786	.....	100,201	.....	3,154,344
Wood, and manufactures of	2,129,448	.....	.....	.....	.....
Wool, manufactures of	2,341	163,972	.....	.....	32,813
All other articles	1,352,392	729,342	182,008	.....	996,350
Total	10,252,372	6,647,707	979,859	.....	12,503,462

*The exports from Germany to the Spanish West Indies are not separately stated.

MEXICO.

Agricultural implements	45,773	.....	.....	.....	.....
Animals	388,265	.....	.....	.....	.....
Breadstuffs	1,561,378	.....	.....	.....	.....
Candles	82,030	.....	11,763	.....	.....
Chemicals, drugs, dyes, and medicines	202,799	.....	83,839	.....	.....
Cotton, manufactures of	699,790	2,269,448	429,474	$159,936	.....
Earthen, china, and glass ware	50,942	.....	117,812	10,710	.....
Fancy articles	44,243	.....	217,942	.....	21,546
Flax, hemp, and jute, manufactures of	26,000	461,072	350,685	.....	.....
Gunpowder and other explosives	235,821	.....	.....	.....	.....
India-rubber and gutta-percha, manufactures of	34,829	178,931	.....	3,322	.....
Iron and steel, and manufactures of	1,208,979	999,409	125,851	82,586	100,352
Jewelry, and manufactures of gold and silver	22,179	.....	164,807	183,498	.....
Leather, and manufactures of	77,600	.....	487,455	15,708	.....
Malt liquors	88,426	.....	.....	9,044	.....
Oils, mineral, refined	237,278	.....	.....	.....	.....
Oils, other	21,172	.....	12,909	.....	.....
Paper and stationery	84,191	.....	a166,445	27,370	a180,123
Provisions	298,962	.....	.....	.....	.....
Quicksilver	166,912	.....	.....	.....	24,931
Silk, manufactures of	2,288	34,397	155,355	24,276	.....
Spirits, distilled	13,056	.....	82,043	.....	48,528
Sugar, refined	96,540	.....	.....	.....	.....
Tobacco, leaf	142,954	.....	.....	.....	.....

a Not specified.

Statement showing the values of domestic merchandise exported from the United States, &c.—Continued.

MEXICO—Continued.

Articles.	From the United States.	From the United Kingdom.	From France.	From Germany.	From Spain.
Wearing apparel	(b)	$29,924	$330,007	$18,088	
Wine	$21,819		394,579		$322,023
Wood, and manufactures of	317,475				
Wool, and manufactures of	35,415	647,527	80,304	93,772	
All other articles	1,163,483	332,737	745,851	70,448	194,308
Total	7,370,599	4,953,445	3,957,121	c698,768	891,811

a Includes books. b Not specified. c Includes the exports from Germany to Central American States.

CENTRAL AMERICAN STATES.

Breadstuffs	512,704				
Candles	7,454	27,462	392		
Cotton, manufactures of	268,847	2,990,829	1,595		
Chemicals, drugs, dyes, and medicines	138,875		15,696		
Earthen, china, and glass ware	18,809	31,749	29,178		
Fancy articles	28,591		4,781		
Flax, hemp, and jute, manufactures of	20,578	169,632	10,414		
Fish	19,067		14,314		
Fruits	8,708		5,710		
Gunpowder and other explosives	128,613		5,703		
Iron and steel, and manufactures of	564,851	430,909	8,392		
Jewelry, and manufactures of gold and silver	5,412		8,801		
Leather, and manufactures of	43,258	25,729			
Paper and stationery	32,598		a6,160		
Provisions	145,949				
Silk, manufactures of	1,215	31,433	28,045		
Soap	11,391	26,391			
Spirits, distilled	14,605		28,129		
Sugar refined	16,825				
Wearing apparel	(b)	129,979			
Wine	19,930		43,662		20,273
Wood, and manufactures of	139,156		8,695		
Wool, manufactures of	16,814	205,916			
All other articles	503,523	282,564	48,177		13,691
Total	2,667,943	4,352,593	267,844	(c)	33,964

a Includes books and engravings. b Not specified. c The exports from Germany to Central American States are included with the exports from Germany to Mexico, which see.

UNITED STATES OF COLOMBIA.

Breadstuffs	301,597				
Carriages, horse-cars, and cars for steam-railroads	165,677		27,389		
Candles	12,145	54,393			
Chemicals, drugs, dyes, and medicines	134,915	33,939	148,020		
Coal	18,818	118,709			
Cotton, manufactures of	269,515	2,716,884	648,776		
Earthen, China, and glass ware	37,255	22,965	22,965	75,646	
Fancy articles	41,894		472,384		
Fish	60,862		94,264		
Flax, hemp, and jute, manufactures of	73,369	474,260	409,778		
Gunpowder and other explosives	128,203	115,891			
India rubber and gutta-percha, manufactures of	28,642	33,535			
Iron and steel, and manufactures of	726,788	789,161	169,035		
Jewelry, and manufactures of gold and silver	24,104		98,527		
Leather, and manufactures of	140,662	97,637	872,038		15,023
Malt liquors	53,293	54,738			
Paper and stationery	84,818		a134,565		a23,863
Provisions	648,082				
Silk, manufactures of	659		26,751		14,925
Soap	89,766				
Spirits, distilled	32,978		122,017		
Sugar, refined	173,280				
Tobacco, and manufactures of	99,674				
Wearing apparel	(b)	265,998	698,890		
Wine	5,807		649,455		150,039
Wood, and manufactures of	1,022,831		30,909		
Wool, manufactures of	40,318	358,520	80,998		
All other articles	981,460	509,995	522,144		67,038
Total	5,397,412	5,646,625	5,281,586	(c)	270,888

a Includes books. b Not specified. c The exports from Germany to the United States of Colombia are not separately stated.

VENEZUELA.

Breadstuffs	964,981				
Chemicals, drugs, dyes, and medicines	93,068		39,819		
Coal	9,131				
Cotton, manufactures of	315,343	2,003,850	97,918		12,812
Earthen, china, and glass ware	14,042	3,168	17,742		
Fancy articles	17,726		79,048		
Flax, hemp, and jute, manufactures of	62,428	274,704	73,986		
Fish	23,076		93,344		
Fruits	5,983		40,115		
Gunpowder and other explosives	1,674		8,421		
Iron and steel, and manufactures of	277,108	235,845	9,442		
Jewelry, and manufactures of gold and silver	6,342		4,866		
Leather, and manufactures of	13,095		45,423		
Malt liquors	39,269	4,146			
Oils:					
Mineral, refined	80,909				
All other	9,091		18,498		
Paper and stationery	16,223		a23,830		a29,228
Provisions	567,619		7,771		
Silk, manufactures of	307		1,256		
Spirits, distilled	442		7,131		
Tobacco, and manufactures of	49,980				

Statement showing the values of domestic merchandise exported from the United States, &c.—Continued.

VENEZUELA—Continued.

Articles.	From the United States.	From the United Kingdom.	From France.	From Germany.	From Spain.
Wearing apparel	(b)	$18,610	$46,362		
Wine	$335		146,092		$167,579
Wood, and manufactures of	96,874				
Wool, and manufactures of	1,772	170,186			
All other articles	326,240	210,364	113,273		45,439
Total	2,992,968	2,920,873	874,337	(c)	255,058

a Includes books. b Not specified. c The exports from Germany to Venezuela are not separately stated.

BRAZIL.

Agricultural implements	14,61 3				
Breadstuffs	3,419,448				
Candles	21,902		16,028		
Carriages, carts, and cars	37,095				
Chemicals, drugs, dyes, and medicines	133,849	301,665	345,971	10,948	
Coal	51,460	1,378,806			
Copper, and manufactures of	4,479	266,937	5,599		
Cotton, manufactures of	516,827	14,111,960	467,074	535,738	
Earthen, china, and glass ware	48,157	536,215	163,529	63,070	
Fancy articles	41,337		883,894	53,312	
Flax, hemp, and jute, manufactures of	37,174	1,332,998	1,121,834		
Gunpowder and other explosives	7,517	542,805			
Hair, and manufactures of	1,677		60,582		
India rubber and gutta-percha, manufactures of	7,637	126,383		7,616	
Instruments for scientific purposes	19,676		83,885		
Iron and steel, and manufactures of	607,110	6,740,414	404,447	490,756	
Jewelry, and other manufactures of gold and silver	30,461		241,844	437,920	
Lead, and manufactures of	6,829	72,413			
Leather, and manufactures of	19,353	834,181	2,583,538	196,112	
Lime and cement	1,021	181,141			
Malt liquors	10,722	117,599			
Oils, mineral, refined	868,387			2,618	
All other	31,331		11,420		
Paints and painters's colors	1,711	131,103	45,626		
Paper and stationery	44,103		a495,749		
Provisions	445,809	8,288	1,400,511		
Salt	34		49,662		
Seeds	310	127,025			
Silk, manufactures of	20,462	48,407	36,403		
Soap	113,753			8,568	
Spirits, distilled	618		87,961		
Spirits of turpentine	29,421				
Umbrellas and parasols		65,615			
Vegetables	2,189		111,419		
Wearing apparel	(b)	323,569	1,793,725	121,380	
Wine	60		623,321		53,179
Wood, and manufactures of	225,730		148,485	58,072	
Wool, and manufactures of	1,063	1,741,282	505	454,818	
All other articles	434,710	2,505,060	881,293	551,922	113,616
Total	7,258,035	31,493,866	12,064,304	2,992,850	166,795

URUGUAY.

Agricultural implements	157,327				
Breadstuffs	2,736				12,197
Chemicals, drugs, dyes, and medicines	26,967		67,531		17,703
Coal	400	590,010			
Cotton, manufactures of	150,300	3,196,157	213,011		31,695
Earthen, china, and glass ware	2,911	86,113	56,890		
Fancy articles	15,103		190,899		26,499
Flax, hemp, and jute, manufactures of	31,196	258,401	320,635		
Gunpowder and other explosives	5,882				
Iron and steel, and manufactures of	77,611	1,315,799	165,603		7,029
Jewelry, and other manufactures of gold and silver	2,122		26,122		
Leather, and manufactures of	1,170	11,324	226,906		9,780
Malt liquors	300	16,736			
Oils, mineral, refined	250,113				
All other	80				
Paints and painters' colors	367	57,065			
Paper and stationery	6,902		a96,101		a73,962
Provisions	43,002				
Silk, manufactures of			16,290		23,249
Spirits, distilled	11,258		238,605		
Starch	20,113				
Sugar, refined	35,941		145,585		
Tobacco, and manufactures of	73,193				
Wearing apparel	(b)	172,513	181,870		21,567
Wines			1,410,180		1,529,936
Wood, and manufactures of	560,741		61,030		
Wool, and manufactures of	1,865	1,151,330			
All other articles	124,159	848,041	519,156		c472,321
Total	1,601,759	7,703,489	3,936,414	(d)	2,225,938

Includes books and engravings. b Not specified.

ARGENTINE REPUBLIC.

Agricultural implements	320,912				
Cars for steam-railroads	48,236	2,224,993			
Chemicals, drugs, dyes, and medicines	101,209	159,018	195,383	21,182	100,996
Coal	999	742,813			

Statement showing the values of domestic merchandise exported from the United States, &c.—Continued.

ARGENTINE REPUBLIC—Continued.

Articles.	From the United States.	From the United Kingdom.	From France.	From Germany.	From Spain.
Cotton, manufactures of	$410,914	$5,775,105	$726,391	$546,924	$60,758
Earthen, china, and glass ware	28,225	374,657	291,307	27,846	.....
Fancy articles	19,584	.....	412,914	.....	48,563
Fish	29,313	.....	253,411	.....	.....
Fruits	128	.....	76,156	.....	.....
Flax, hemp, and jute, manufactures of	88,287	1,251,182	4,705,793	.....	.....
Gunpowder and other explosives	14,024	133,688	.....	.....	.....
Iron and steel, and manufactures of	845,418	10,722,540	637,967	321,300	.....
Jewelry, and manufactures of gold and silver	16,463	.....	687,683	95,438	.....
Leather, and manufactures of	4,888	243,257	1,275,223	55,454	.....
Malt liquors	1,326	62,948	.....	.....	.....
Oils, mineral, refined	396,694	.....	.....	1,428	.....
All other	1,932	.....	65,849	.....	.....
Paints and painters' colors	2,244	214,165	.....	.....	.....
Paper and stationery	42,920	168,454	a316,132	12,852	a171,266
Provisions	38,425	.....	34,312	.....	.....
Silk, manufactures of	84	.....	90,040	73,304	50,183
Spirits, distilled	47,026	.....	866,441	.....	9,144
Starch	28,092	.....	.....	.....	.....
Sugar, refined	8,311	.....	1,371,285	16,422	.....
Tobacco, and manufactures of	100,193	.....	.....	.....	.....
Wearing apparel	(b)	437,260	2,950,365	64,260	12,986
Wines	10	.....	5,736,529	.....	2,820,809
Wood, and manufactures of	1,112,661	.....	187,189	19,516	.....
Wool, manufactures of	685	2,852,050	155,179	327,964	28,344
All other articles	617,823	2,915,695	1,972,193	43,316	432,572
Total	4,327,026	28,277,825	23,007,742	c1,627,206	3,735,621

a Includes books. b Not specified. c Includes salt, valued at $297,126. d The exports from Germany to Uruguay are included with the exports from Germany to Argentine Republic, which see. e Includes the exports from Germany to Paraguay and Uruguay.

CHILI.

Agricultural implements	71,965	.....	.....	.....	.....
Chemicals, drugs, dyes, and medicines	69,847	.....	105,834	6,902	.....
Coal	4,901	520,501	.....	.....	.....
Copper, and manufactures of	211	29,185	.....	.....	.....
Cotton, manufactures of	613,129	3,317,483	252,610	647,122	.....
Earthen, china, and glass ware	16,159	155,251	184,549	5,712	.....
Fancy articles	14,698	.....	183,083	.....	.....
Fish	18,392	.....	88,146	.....	.....
Flax, hemp, and jute, manufactures of	35,208	378,667	451,464	.....	.....
Gunpowder and other explosives	17,685	89,364	.....	.....	.....
India rubber and gutta-percha, manufactures of	8,209	56,310	.....	1,666	.....
Iron and steel, and manufactures of	378,097	2,597,645	200,769	23,562	.....
Jewelry, and manufactures of gold and silver	5,273	.....	91	16,660	.....
Leather, and manufactures of	17,856	65,717	491,295	19,278	.....
Malt liquors	5,056	20,449	.....	.....	.....
Oils, mineral, refined	154,806	.....	.....	.....	.....
All other	24,467	.....	9,429	.....	.....
Paints and painters' colors	738	99,330	.....	.....	.....
Paper, and manufactures of	28,130	.....	a118,235	9,758	.....
Provisions	31,717	.....	.....	.....	.....
Silk, manufactures of	.....	.....	108,547	.....	.....
Spirits, distilled	110	.....	73,852	.....	.....
Spirits of turpentine	8,453	.....	.....	.....	.....
Sugar, refined	35,211	.....	463,887	.....	.....
Tobacco, and manufactures of	13,392	.....	.....	.....	.....
Wearing apparel	(b)	206,812	305,505	102,340	.....
Wines	500	.....	202,638	.....	.....
Wood, and manufactures of	353,552	.....	99,223	6,902	.....
Wool, manufactures of	6,887	1,253,134	88,579	302,736	.....
All other articles	258,023	1,379,385	430,175	133,042	5,263
Total	2,192,672	10,169,233	3,857,911	1,275,680	5,263

PERU.

Chemicals, drugs, dyes, and medicines	30,899	.....	.....	.....	.....
Coal	1,071	227,777	.....	1,190	.....
Copper, manufactures of	591	23,606	.....	.....	.....
Cotton, manufactures of	114,777	2,131,459	73,632	153,510	.....
Earthern, china, and glass ware	2,720	105,491	.....	.....	.....
Fancy goods	14,851	.....	57,800	.....	.....
Fish	7,572	.....	69,568	.....	.....
Flax, hemp, and jute, manufactures of	27,548	182,757	487,739	17,374	.....
Iron and steel, and manufactures of	92,604	838,469	37,432	.....	.....
Jewelry, and manufactures of gold and silver	2,344	.....	93,315	.....	.....
Leather, and manufactures of	7,228	7,923	299,037	10,472	.....
Malt liquors	614	15,169	.....	5,712	.....
Oils, mineral, refined	34,453	.....	.....	.....	.....
Paper and stationery	12,697	.....	a50,251	2,618	a11,483
Provisions	155,379	.....	.....	.....	.....
Spirits, distilled	847	.....	37,126	.....	.....
Sugar, refined	597	.....	.....	3,332	.....
Wearing apparel	(b)	64,549	280,160	.....	.....
Wines	40	.....	140,528	1,666	.....
Wood, and manufactures of	96,994	.....	.....	238	.....
Wool, manufactures of	3,204	876,846	72,727	65,450	.....
All other articles	128,940	785,930	339,774	39,508	6,112
Total	735,979	5,259,976	2,039,089	301,070	17,595

a Includes books and engravings. b Not specified.

Statement showing the total values of the commerce of the United States with Mexico, Central America, the West Indies, and South America during the years ending June 30, 1868 and 1885 (merchandise only).

Countries.	Exports.		Imports.		Total imports and exports.	
	1868.	1885.	1868.	1885.	1868.	1885.
Mexico	$6,441,339	$8,340,784	$1,590,667	$9,267,021	$8,632,006	$17,607,805
Central American States and British Honduras	646,347	3,132,284	1,271,351	6,627,375	1,917,698	9,759,659
THE WEST INDIES.						
Cuba	14,675,697	9,006,160	49,774,704	42,306,093	64,450,401	51,312,253
British West Indies	6,742,381	7,210,879	2,765,116	10,363,381	9,507,497	17,574,260
Porto Rico	2,547,536	1,569,205	6,345,639	6,104,263	8,893,175	7,673,468
Hayti	3,247,500	3,307,307	753,866	2,471,436	4,001,366	5,778,743
San Domingo	66,201	936,701	83,363	1,461,419	149,564	2,448,120
French West Indies	913,121	1,418,973	218,953	1,147,515	1,132,074	2,566,488
Dutch West Indies	507,832	666,842	289,573	386,668	797,405	1,053,510
Danish West Indies	1,170,996	586,159	573,004	336,303	1,744,000	922,462
Swedish West Indies	29,699	.....	2,136	.....	31,835	.....
Total	29,900,963	24,752,226	60,806,354	64,577,078	90,707,317	89,329,304
SOUTH AMERICA.						
Brazil	5,695,404	7,317,293	23,595,740	45,263,660	29,291,144	52,580,953
United States of Colombia	3,711,796	5,583,369	2,538,297	2,342,077	6,250,093	7,925,446
Venezuela	961,262	3,043,609	2,368,977	6,309,580	3,330,239	9,353,189
Argentine Republic	2,732,600	4,676,501	4,806,299	4,328,510	7,538,899	9,005,011
Uruguay	821,006	1,682,443	1,179,520	2,734,617	2,000,526	4,417,060
Chili	1,580,999	2,211,007	951,767	604,525	2,532,766	2,815,532
British Guiana	1,945,568	1,640,657	2,364,682	921,354	4,310,250	2,562,011
Peru	1,666,355	742,105	1,765,397	1,764,890	3,431,752	2,506,995
Dutch Guiana	465,523	299,018	422,581	265,339	888,104	564,357
French Guiana	36,986	110,844	15,477	1,803	52,463	112,647
All other South America	8,264	428,011	2,366	753,601	10,630	1,181,612
Total	19,625,763	27,734,857	40,011,103	65,289,956	59,636,866	93,024,813
Grand total	56,614,412	63,960,151	103,679,475	145,761,430	160,293,887	209,721,581

Statement showing the value of imports and exports of merchandise carried in American and foreign vessels, respectively, in the foreign trade of the United States with Mexico, Central America, the West Indies, and South America during the year ending June 30, 1885.

Countries.	Imports.		Exports.		Total.	
	In American vessels.	In foreign vessels.	In American vessels.	In foreign vessels.	In American vessels.	In foreign vessels.
Mexico *a*	$3,748,890	$2,841,767	$4,799,254	$1,560,359	$8,548,144	$4,402,126
Central American States and British Honduras	4,915,347	1,712,028	2,377,733	754,551	7,293,080	2,466,579
THE WEST INDIES.						
Cuba	28,975,822	13,330,271	8,074,752	931,408	37,050,574	14,261,679
British West Indies	2,560,874	7,802,507	2,589,694	4,621,185	5,150,568	12,423,692
Porto Rico	2,590,135	3,514,128	691,113	878,092	3,281,248	4,392,220
Hayti	626,464	1,844,972	1,080,286	2,227,021	1,706,750	4,071,993
San Domingo	1,311,746	149,673	937,566	49,135	2,249,312	198,808
French West Indies	419,654	727,861	752,205	666,768	1,171,859	1,394,629
Dutch West Indies	233,479	153,189	440,463	226,379	673,942	379,568
Danish West Indies	169,275	167,028	435,836	150,323	605,111	317,351
Total	36,887,449	27,689,629	15,001,915	9,750,311	51,889,364	37,439,940
SOUTH AMERICA.						
Brazil	10,108,298	35,155,362	3,681,883	3,635,410	13,790,181	38,790,772
United States of Colombia	774,597	1,567,480	4,917,069	666,300	5,691,666	2,233,780
Venezuela	4,357,892	1,951,688	2,128,394	915,215	6,486,286	2,866,903
Argentine Republic	3,338,446	990,064	2,543,715	2,132,786	5,882,161	3,122,850
Uruguay	496,594	2,238,023	382,402	1,300,041	878,996	3,538,064
Chili	290,342	314,183	1,581,687	629,320	1,872,029	943,503
British Guiana	390,309	531,045	875,886	764,771	1,266,195	1,295,816
Peru	811,245	953,645	511,585	230,520	1,322,830	1,184,165
Dutch Guiana	258,212	7,127	277,364	21,654	535,576	28,781
French Guiana	1,803	.....	81,184	29,660	82,987	29,660
All other South America	558,224	195,377	383,740	44,271	941,964	239,648
Total	21,385,962	43,903,994	17,364,909	10,369,948	38,750,871	54,273,942
Grand total	66,937,648	76,147,418	36,725,728	22,435,169	102,590,850	98,582,587

a In addition to the merchandise stated as imported and exported in vessels, merchandise to the value of $2,676,364 was imported and merchandise to the value of $1,981,171 was exported "in cars and other land vehicles."

APPENDIX V.

Statement of the value of merchandise imported into the United States from, and exported from the United States to, Mexico, the West Indies, Central and South America for the year ending June 30, 1885.

Imports.	Value.	Exports.	Value.
Chemicals, drugs, dyes, and medicines	$3,983,761	Breadstuffs	$13,497,695
Cocoa, crude, and leaves and shells of	1,279,996	Cotton, manufactures of	4,453,188
Coffee	42,689,058	Iron and steel, and manufactures of	5,997,141
Fruits, including nuts	3,706,997	Oil, mineral, refined or manufactured	2,607,006
Hides and skins other than fur-skins	11,658,079	Provisions, comprising meat and dairy products	8,859,486
India-rubber and gutta-percha, crude	6,998,409	Wood, and manufactures of	7,759,736
Sugar and molasses	56,527,931	All other merchandise	18,215,336
Tobacco and manufactures of	7,035,587		
Wood, unmanufactured	1,321,259	Total domestic exports	61,389,588
Wool, unmanufactured	1,640,633	Foreign exports	2,570,563
All other merchandise	8,919,720		
Total	145,761,430	Total exports	63,960,151

APPENDIX VI.

Statement showing the imports and exports of merchandise into and from the United States, from and to Mexico, Central America, and British Honduras, the West Indies and South America, during the years ending June 30, 1866 to 1885.

Years.	Mexico.					Central American States and British Honduras.				
	Exports.			Imports.	Total imports and exports.	Exports.			Imports.	Total imports and exports.
	Domestic.	Foreign.	Total.			Domestic.	Foreign.	Total.		
1866	$3,701,599	$871,619	$4,573,218	$1,726,092	$6,299,310	$852,739	$37,873	$890,612	$893,585	$1,784,197
1867	4,823,614	572,182	5,395,796	1,071,936	6,467,732	876,138	104,888	981,026	1,050,010	2,031,036
1868	5,048,420	1,392,919	6,441,339	1,590,667	8,032,006	610,040	26,511	636,551	1,271,351	1,907,902
1869*	3,835,699	1,047,408	4,883,107	2,336,164	7,219,271	428,645	16,484	445,129	730,714	1,175,843
1870*	4,544,745	1,314,955	5,859,700	2,715,665	8,575,365	199,132	33,346	232,478	734,565	967,043
1871*	5,044,033	2,568,080	7,612,113	3,209,688	10,821,801	501,616	20,206	521,822	1,481,016	2,002,838
1872*	3,420,658	2,122,931	5,543,589	4,002,920	9,546,509	880,965	56,060	937,025	1,590,011	2,527,036
1873	3,941,019	2,323,882	6,264,901	4,276,165	10,541,066	899,570	62,240	961,810	1,974,968	2,936,778
1874*	4,016,148	1,930,691	5,946,839	4,346,364	10,293,203	787,056	41,904	828,960	2,855,093	3,684,053
1875*	3,872,004	1,865,278	5,737,282	5,174,594	10,911,876	734,374	49,858	784,232	2,435,151	3,219,383
1876*	4,709,978	1,499,594	6,200,572	5,150,572	11,351,144	891,988	37,853	929,841	1,597,515	2,527,356
1877*	4,503,802	1,389,692	5,893,494	5,204,264	11,097,758	913,307	47,423	960,730	2,678,672	3,639,402
1878*	5,811,429	1,649,275	7,460,704	5,251,502	12,712,206	1,205,180	49,577	1,254,757	2,968,996	4,223,753
1879	5,400,380	1,351,864	6,752,244	5,493,221	12,245,465	1,404,365	50,133	1,454,498	2,410,679	3,865,177
1880	6,065,974	1,800,519	7,866,493	7,209,593	15,076,086	2,099,467	91,070	2,190,537	3,766,788	5,957,325
1881	9,198,077	1,973,161	11,171,238	8,317,802	19,489,040	2,012,531	99,166	2,111,697	3,602,906	5,714,603
1882	13,324,505	2,158,077	15,482,582	8,461,899	23,944,481	2,085,439	66,887	2,152,326	5,224,867	7,377,193
1883	14,370,992	2,216,628	16,587,620	8,177,123	24,764,743	2,424,348	83,536	2,507,884	5,653,154	8,161,038
1884	11,089,603	1,614,689	12,704,292	9,016,486	21,720,778	3,479,544	129,393	3,608,937	6,424,018	10,032,955
1885	7,370,599	970,185	8,340,784	9,267,021	17,607,805	3,027,673	104,611	3,132,284	6,627,375	9,759,659

* British Honduras included in West Indies.

Years.	West Indies. *a*					South America. *b*				
	Exports.			Imports.	Total imports and exports.	Exports.			Imports.	Total imports and exports.
	Domestic.	Foreign.	Total.			Domestic.	Foreign.	Total.		
1866	$30,192,548	$869,113	$31,061,661	$49,251,127	$80,312,788	$16,778,233	$334,913	$17,113,146	$31,538,288	$48,651,434
1867	27,387,654	923,045	28,310,699	48,713,125	77,023,824	19,848,205	712,752	20,560,957	34,957,649	55,518,606
1868	28,510,557	1,390,406	29,900,963	60,806,354	90,707,317	19,028,185	597,578	19,625,763	40,011,103	59,636,866
1869	27,069,529	1,035,422	28,104,951	73,191,206	101,296,157	17,276,034	791,112	18,067,146	41,078,839	59,145,985
1870	27,961,189	1,719,178	29,680,367	70,517,491	100,197,858	17,447,022	753,565	18,200,587	42,963,841	61,164,428
1871	29,208,033	1,435,289	30,643,322	76,979,188	107,622,510	16,657,100	559,346	17,216,446	54,082,792	71,299,238
1872	28,689,451	1,470,376	30,159,827	91,389,230	121,549,057	20,127,567	744,243	20,871,810	55,667,177	76,538,987
1873	31,511,826	2,078,954	33,590,780	93,581,826	127,172,606	25,153,570	997,503	26,151,073	66,911,420	93,062,493
1874	32,648,070	1,995,086	34,643,156	100,846,107	135,489,263	24,345,414	852,836	25,198,250	67,056,001	92,254,251
1875	31,746,675	1,604,066	33,350,741	82,506,610	115,857,351	22,809,113	657,705	23,466,818	73,068,197	96,535,015
1876	30,499,322	1,246,080	31,745,402	69,633,887	101,379,289	21,508,261	508,369	22,016,630	64,881,499	86,898,129
1877	29,744,126	1,131,440	30,875,566	83,054,918	113,930,484	21,691,632	478,259	22,169,891	66,887,783	89,057,674
1878	27,986,532	1,008,238	28,994,770	74,400,533	103,395,303	23,741,819	517,588	24,259,407	67,855,773	92,115,180
1879	27,310,969	914,971	28,225,940	78,528,344	106,754,284	22,730,591	706,785	23,437,376	59,174,974	82,612,350
1880	27,600,810	698,414	28,299,224	85,882,603	114,181,827	22,685,603	504,617	23,190,220	82,126,922	105,317,142
1881	29,143,738	886,951	30,030,689	84,218,552	114,249,241	24,608,279	696,567	25,304,846	80,627,308	105,932,154
1882	28,553,948	699,323	29,253,271	91,803,822	121,057,093	26,469,820	755,030	27,224,850	81,291,936	108,515,786
1883	32,325,564	975,268	33,300,832	88,309,091	121,609,923	28,927,097	643,562	29,570,659	76,736,983	106,307,642
1884	28,247,548	795,529	29,043,077	81,864,452	110,907,529	30,430,154	796,780	31,226,934	75,753,960	106,980,894
1885	24,024,135	728,091	24,752,226	64,577,078	89,329,304	26,967,181	767,676	27,734,857	65,289,956	93,024,813

a The years 1869 and 1870 include Denmark, the years 1873 to 1875 include the Guianas, and the years 1869 to 1872 and 1874 to 1878 British Honduras.
b The years 1873 to 1875 have the Dutch and French Guianas included in the West Indies.

Statement showing the aggregate values of the imports and exports of merchandise into and from the United States from and into Mexico, Central America, and British Honduras, the West Indies, and South America during the years ending June 30, 1866 to 1885, inclusive.

Years.	Exports.			Imports.	Total imports and exports.
	Domestic.	Foreign.	Total.		
1866	$51,525,119	$2,113,518	$53,638,637	$83,403,092	$137,047,729
1867	52,935,611	2,312,867	55,248,478	85,792,720	141,041,198
1868	53,197,202	3,407,414	56,604,616	103,679,475	160,284,091
1869	48,609,907	2,890,426	51,500,333	117,336,923	168,837,256
1870	50,152,088	3,821,044	53,973,132	116,931,562	170,904,694
1871	51,410,782	4,582,921	55,993,703	135,752,684	191,746,504
1872	53,118,641	4,393,610	57,512,251	152,649,338	210,161,589
1873	61,505,985	5,462,579	66,968,564	166,744,379	233,712,943
1874	61,796,688	4,820,517	66,617,205	175,103,565	241,720,770
1875	59,162,166	4,176,907	63,339,073	163,184,552	226,523,625
1876	57,600,549	3,291,896	60,892,445	141,263,473	202,155,918
1877	56,852,867	3,046,814	59,899,681	157,825,637	217,725,318
1878	58,744,960	3,224,678	61,969,638	150,476,804	212,446,442
1879	56,846,305	3,023,753	59,870,058	145,607,218	205,477,276
1880	58,451,854	3,094,620	61,546,474	178,985,906	240,532,380
1881	64,962,625	3,655,845	68,618,470	176,766,568	245,385,038
1882	70,433,712	3,679,317	74,113,029	186,782,524	260,895,553
1883	78,048,001	3,918,994	81,966,995	178,876,351	260,843,346
1884	73,246,849	3,336,391	76,583,240	173,058,916	249,642,156
1885	61,389,588	2,570,563	63,960,151	145,761,430	209,721,581

Shall the National Revenue be Derived from Protective Customs Duties or from Burdensome and Vexatious Internal Taxes?

SPEECH

OF

HON. WILLIAM D. KELLEY,

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, August 3, 1886.

On the bill (H. R. 7652) to reduce tariff taxes and to modify the laws in relation to the collection of the revenue.

Mr. KELLEY said:

Mr. CHAIRMAN: I shall address my remarks to House bill No. 7652, which is known as the committee's substitute for the Morrison tariff bill. It is a posthumous offspring of the confederacy of insurgent States, the ascendency of whose spirit in this House and the administrative departments of our Government Jefferson Davis recently celebrated in the midst of displays of popular enthusiasm which elicited from him the significant exclamation, "You are confederates, and I love you for it."

Its birthmarks are too many and too well defined to permit a question as to its parentage; its vital impulse was received from section 8 of article 1 of the confederate constitution, which was substituted for section 8, Article I of the Constitution of the United States, and marks the point of extreme divergence between the two systems of fundamental law. Our Constitution had been adopted for the purpose of providing for the common defense and promoting the general welfare. To secure these supreme objects it specifically empowered Congress to lay and collect taxes, duties, imposts, and excises for the purpose of providing for the common defense and the general welfare. The cause of the rebellion reduced to its last analysis is found in the clauses of our Constitution which recognize the general welfare as an object of governmental care and solicitude. Hence it was that in the constitution of the insurgent confederacy was inserted this prohibition, "Nor shall any duties or taxes on importations from foreign nations be laid to promote or foster any branch of industry."

Sir, in submitting these remarks I am not entering the field of partisan political discussion or seeking to revive memories that are painful to me, and which since the close of the war I have fraternally and persistently labored to extinguish. No, sir; I am confining myself strictly to the consideration of the bill before the committee, every clause and proviso of which has, I believe, been prepared in rigorous obedience to the spirit, provisions, and restrictions of what posterity will know as the constitution of the Confederate States of America, and consequently have no adaptation to the existing condition of the industries of our country. Its promoters can not have been ignorant of the fact that if enacted into law its practical application of the doctrine of absolute free trade, though confined to but few commanding industries, will overthrow the general welfare, deprive labor of employment, close factories, forges, furnaces, rolling-mills, quarries, ore-banks, and coal mines in every part of the country, and render the labor and capital that have been expended in their creation or development unproductive; that it will aggravate a thousandfold the discontent now pervading the land and reduce to bankruptcy hosts of the men whose energy has during the last quarter of a century advanced our country to the foremost position in the family of nations and invested it with power to defy the world in arms. Its adoption would produce a panic that would paralyze trade as well as production. That it is the offspring of confederate sentiment, principle, and constitutional restriction is thoroughly understood in the South. It is this knowledge that elicits opposition to it from the men of hope and progress who expect to establish diversified industries in every one of the old Confederate States. My convictions on this subject are, therefore, not peculiar. They are entertained by native citizens of every Southern State. In the course of an open letter to the chairman of the executive committee of the Free Trade Association of South Carolina, written from this city on the 23d of April, Mr. TILLMAN, who, having served as a private in the confederate army from early in 1862 to the close of the war, and been a member of the Forty-sixth and part of the Forty-seventh Congresses and who now represents the second district of his State, said:

Shall we of the Palmetto State always be self-idolatrous Bourbons, never forgetting, never learning anything? Was it not our intemperate zeal for free trade that led to nullification, and was it not as much to enjoy free trade as to protect slavery that South Carolina seceded in 1860?

The country knows that the preparation of the bill was the exclusive work of the political majority of the Committee of Ways and Means. I therefore reveal no secret of the committee-room when I say that the minority members of that committee were not permitted to participate in the deliberations which preceded its construction. The right to cast futile votes against its provisions, when, having been informally adopted by the majority, the bill was reported to the committee, could not be withheld from them and was therefore accorded. In thus applying the principle of the caucus to the work of a committee it is possible that some members of the majority of the committee were carried further than they intended or desired to go. Except in the administrative sections, which were presented to the House by the gentleman from New York [Mr. HEWITT] and, at his suggestion, referred to the committee as a separate bill, which was known as HEWITT'S administrative bill, it nowhere bears the impress of that gentleman's often proclaimed convictions. He, as is known to all the world, believes that all coal and ores are raw materials and should be on the free-list; that scrap-iron, whether cast or wrought, including bar ends, is raw material, and should therefore be free; that nature's special solvent, alcohol, is a material in innumerable commodities as an ingredient or as an agent in the preparation thereof, and should, so far as it is thus consumed, be relieved from internal taxes; and that the American laborer is entitled to protective duties to the extent of the difference between the cost of labor in other lands and that paid in this country. No one who knows the earnestness with which the gentleman has enforced these convictions will suspect him of having promoted the adoption of this bill which leaves coal and ores and scrap-iron dutiable, and alcohol for the arts taxable; and instead of protecting the labor involved in the growing of hemp, flax, and wool, and the manufacture of salt and lumber, and in our fisheries, leaves it without even the incidental protection afforded by such duties as would be imposed by a tariff for revenue only.

Nor will those who are familiar with the tariff work of the chairman of the committee [Mr. MORRISON] be able to discover his purposes and handiwork in this bill, which is utterly inconsistent with and contradictory of the bill he presented to the House on the 15th of February. It was that bill that the country was assured would after some possible amendment be reported to the House for consideration. It was the bill to consider which hearings were appointed, to attend which hundreds of citizens came from their distant homes and were elaborately heard. The unheralded substitution of this bill, so unlike and so inconsistent with the one on which these parties had been heard, converted the hearings into expensive and derisive mockeries and subjected the committee to painful suggestions of bad faith. Though the five protectionist members of the committee are without weight in its councils, it is otherwise with the five who constitute the majority of its political majority. They demonstrated their omnipotence in its councils when they brushed aside the bill with which the name of the chairman was associated and on which hearings had been invited, and substituted one which embodies no provision that will not be satisfactory to the voters of their several districts and to the Bourbons of the Confederate States generally. Yes, sir, as a substitute for the Morrison bill we have one prepared, so far as it relates to customs duties, by five representatives of Confederate States, four of whom served faithfully in the confederate army, and to the fifth of whom the fact that he was so young that he could give but his sympathy to the cause for which his senior colleagues fought is a cross which he will doubtless bear through life.

Nay, Mr. Chairman, I have fallen into an error; there are but four members of the committee who were citizens of Confederate States when the insurgents fired on the Union flag, but the fourth member, who served as a confederate soldier, fearing that his State might not secede, abandoned her, and made war upon his country and his State in support of the confederate free-trade constitution and the pervading belief of the people of the slave States that "commerce and the mechanic arts and the banking system were incompatible with the social safety of the slave States;" * * * "that great cities were great sores, aggregations of people an evil, immigrant numbers and capital not desirable, and works of internal commerce only to be allowed where they were to be built at the private cost of those who used them," and "that our ships and workshops should be stationed beyond the Atlantic."

Mr. Chairman, in these remarks I mean offense to none of the gentlemen alluded to. My experience as a member of the Committee of Ways and Means has been exceptionally protracted, and I can truly say that in this long experience I have met no more agreeable companions on that committee than the five gentlemen whose supreme relation to revenue measures I feel constrained to criticise and condemn. There is not among them one whose uniform courtesy and frankness has not secured him my admiration or whose friendship I do not desire to enjoy. For the present, however, it is my duty to ascertain if I can why the power that organized this House and its committees bestowed on them the power to shape our revenue measures and to report for consideration a bill which, if enacted into law, will annually curtail until it shall have ultimately destroyed the national revenues by depriving the producing classes of the people of the power to pay for and consume dutiable or taxable commodities, whether domestic or imported. After diligent investigation and patient consideration I have been unable to discover any other reason for their appointment to the Committee of Ways and Means than the known devotion of each of them to economic dogmas the attempt to give constitutional sanction to which invoked the war for the Union and all its bloody consequences. I appreciate the gravity of this conclusion, and in its support beg leave to submit a few of the many facts which have compelled me to accept it.

STARTLING INDUSTRIAL CONTRASTS.

By the census of 1880 it was found that we had 253,852 manufacturing establishments, which employed $2,790,272,606 capital and 2,738,-

895 operatives. Let me ask what percentage of these totals is represented by the gentlemen from Arkansas, Texas, Tennessee, Georgia, and Kentucky who are members of the Committee of Ways and Means? Is it such as to raise a presumption that they have practical knowledge of the just requirements of the interests of these millions of laborers and of the proprietors of these hundreds of thousands of establishments, who are the managers of these billions of capital whether it is owned by them or by banks, saving institutions, trust companies, or individuals whose business is to loan capital to men of known energy and integrity? On this point the following statements, taken from the tables of the last census, will shed some light:

Congressional districts.	Establishments.	Capital.	Operatives.
Total United States	253,852	$2,790,272,606	2,738,895
Arkansas, second district		466,765	670
Texas, ninth district		552,837	867
Tennessee, fourth district		734,464	1,013
Georgia, fourth district		3,581,386	3,850
Kentucky, seventh district		3,755,107	2,302
Total		9,090,559	8,702
Per cent. of the aggregate of the five districts to total aggregate of the United States		.0032	.0031

Mr. Chairman, can it be that the combined districts represented by five members of the Committee on Ways and Means employ in all their workshops less than one-third of 1 per cent. of the capital involved in the diversified manufactures of the country, and that they employ a still smaller percentage of one-third of 1 per cent. of the number of laborers engaged therein? Have not the figures played tricks upon me? The conclusion that legislation touching the nation's revenues and the industries, wages, and estates of millions of the people has been confided to the Representatives of five such undeveloped districts seems so utterly absurd that I fear to rest in it. Let me therefore apply another test. There are three hundred and twenty-five Congressional districts. Dividing the national totals by that number we find what, by a common average, should be the amount of capital and the number of operatives employed in each district. This gives to a single district $8,585,454 of capital, and 8,427 of laborers. It thus appears that if the combined districts whose Representatives have fashioned this bill for the government of our industries had their average proportion of the grand totals their capital would be not as it is, $9,090,559, but $42,927,270; and their operatives would number not as they do, 8,702, but 42,136, or very nearly five times each number. Is not this exhibit a sad one; and is it not sadly confirmatory of the figures that show that five members of the Committee on Ways and Means, who determine the conclusions on tariff and tax questions, represent less than one-third of 1 per cent. of the capital and less than one-third of 1 per cent. of the laborers employed in the manufacturing industries of our country and that the average for each district is less than one-fifteenth of 1 per cent. of both capital and labor.

But, hoping we may still be mistaken, let us apply another test. The city I in part represent is composed of five Congressional districts. The reply of the census to the question, how do the Philadelphia districts compare with those of the five gentlemen who as members of the Committee of Ways and Means determined the character of this bill, will be significant. The workshops of the five Philadelphia districts employ $187,148,859 capital and 185,527 operatives. It will, therefore, be seen that these favored districts employ only 4.8 per cent. of the capital and 4.7 per cent. of the number of laborers employed by the same number of districts in Philadelphia.

Sir, the country has the right to know by what economic law it is that the identical number of districts embraced in Philadelphia, and which employ in manufacturing industries that are affected by the tariff less than 5 per cent. of the capital and labor she employs, were in the organization of the House given the power to fashion laws which may work the prosperity or the ruin of her manufacturers and laborers and those of the country at large. But in selecting Philadelphia for this comparison I am invidious, for here are the names of eighteen cities, but one of which embraces more than five Congressional districts, and the population of each of the last named six of which is less than is required to constitute a district, but each of which employs more capital and more laborers in manufacturing industries than do the second district of Arkansas, the ninth of Texas, the fourth of Tennessee, the fourth of Georgia, and the seventh of Kentucky combined. Why, sir, in the name of the country I ask, have these undeveloped districts a preponderating voice in the Committee of Ways and Means?

These are the names of the sixteen cities alluded to the manufacturing power of each of which exceeds that of the combined districts of five members of the Ways and Means Committee: Philadelphia, New York, Chicago, Brooklyn, Pittsburgh, Saint Louis, Cincinnati, Boston, Baltimore, San Francisco, Providence, Buffalo, Newark, Louisville, Cleveland, and Milwaukee. In view of these facts am I not justified in charging upon the Democratic caucus which organized this House a deliberate assault upon the vested rights and interests of the laboring classes of our country? It may be whispered that this combination was not deliberate; that the selection of the representatives of these non-manufacturing districts was accidental. Sir, this will be an afterthought; the free-traders boasted of their triumph in the organization of the House, and this blow at the manufacturing interests of the country is a legitimate result of their triumph. Such elaborate and complex coincidences are not within the range of the doctrine of chance. No set of tables ever recognized as authority by insurance companies or companies for the granting of annuities fails to show that they are outside of the doctrine of chance and must be accepted as the result of deliberation and design.

THE BILL IS HOSTILE TO SOUTHERN PROGRESS.

Having viewed and reviewed the facts involved I am constrained to declare again, and with emphasis, that the bill is the legitimate offspring of the economic faith held by the people of the insurgent States, and which was embodied in the constitution of the confederacy that assumed the title of the Confederate States of America. Let it not be said that the utterance of this conviction is an expression of hostility to the South, or that I am fanning the flame of sectional strife and hatred, for such is not the fact. I am striving to bring to the attention of my countrymen, South and North, facts which can not be gainsaid, and which are full of significance and of special import to every Southern owner of a coal-mine or a deposit of copper, zinc, nickel, lead, tin, antimony, manganese, emery, corundum, plumbago, chrome, kaolin, gypsum, or other metallic or mineral substance; of a furnace, forge, rolling-mill, or steel works; of a manufacture of textiles, whether of cotton, flax, hemp, wool, or silk; of chemical works, or any other form of manufacturing industry.

Nor are these invidious facts less significant to the farmers of the South who own hemp or flax fields or whose acres may be enhanced in value by the creation near them of industrial centers like Roanoke, Va., Chattanooga, Tenn., or Birmingham or Anniston, Ala., the inhabitants of which will enable them to produce successive crops of fruit and spring vegetables, furnish a neighboring market for poultry and eggs, veal and lamb, and save them from the overwhelming Asiatic competition which the farmer who depends on the export of cereal crops must now endure.

Sir, I do not assail the people of the South. It is to the people of the new South that I specially address myself. The facts I expose demand their consideration, and should convince them that an attempt is being made to again subject them to the ruthless domination of men of their own section whom they describe as incapable of either forgetting or learning anything. To the hopeful and aspiring men of the South I appeal in their own behalf and that of the country at large. It belongs to them to see to it that in future organizations of this House care shall be taken that in the room of the committee to which all questions of revenue are submitted the voice of the present and the future of the South, as well as that of its past, may be heard. Sir, when this consummation shall be achieved and the people of the South shall have engaged in the development of her vast and infinitely diversified resources, the utilization of her incalculable water-power and the commercial capacity of her noble streams the flow of which is never impeded by the icy breath of winter, the construction of factories in the midst of her cotton-fields, the conversion of her timber into better homes for her planters and laborers than they have ever known, and into furniture characterized by broader utilities and forms of higher beauty than they have ever enjoyed, and when instead of laboring for wages in cotton-fields and on rice plantations owners of small farms will find wealth in furnishing flowers, fruits, spring vegetables, young poultry, and meats for the markets of the North and Northwest there will spring up in her midst divers and beneficent industries of which her soil and climate and multifarious resources should have made her the native home. And then that beautiful section of our country, which one of its statesmen is reported to have said would grow no grass and consequently could raise no wool, will lead other sections of the country not only in mining and manufacturing, but in the abounding products of a carefully tended sheep husbandry that will rival in affluence that of the sunny fields of Australia.

Sir, my poor attempt at portraying the future wealth and greatness of the States that were sought to be doomed to the poverty of Turkey, Egypt, and British India by the establishment of a confederacy whose aid for the development of the material resources of its people should be forever withheld, is not the vision of an enthusiast, nor like the one the poet tells us filled the mind of Columbus as he beheld the outlying fields of the richer continent he was about to give to the world. It has well-known facts for its basis. If properly protected by customs duties against foreign competition in the years of the infancy of their industries the genius, energy, experience, and capital of the North and of foreign lands will flow in to extend and perfect what has been so well begun by her own people under the protective tariffs that have prevailed since the close of the war. I can not indicate the extent of the work they have accomplished, though I am a diligent student of this paper, the Manufacturers' Record, a weekly record of the progress of Southern Industry, published at Baltimore. From its issues of April 24 and July 10 I submit the following statement of what was done in

developing the manufacturing interests of the South in the first six months of the current year:

The industrial growth of the South moves steadily on. With the gradual recovery of all manufacturing interests from the late severe depression, more activity is noticeable in the organization of new enterprises. The first three months of 1886 have witnessed a very gratifying development of the manufacturing and mining interests of the whole South. Never before has the outlook been more promising than at present for the steady, permanent growth of the industrial interests of that section.

As heretofore, the growth of manufactures is not confined to a few industries, but extends over almost the whole range of human industry, embracing pig-iron furnaces, foundries, machine-shops, steel-works, cotton and woolen mills, cotton-seed oil mills, cotton compresses, fruit-canning factories, carriage and wagon factories, agricultural-implement factories, flour-mills, grist-mills, saw-mills, planing-mills, sash, door, and blind factories, shuttle factories, handle and spoke factories, barrel factories, shingle-mills, furniture factories, tobacco factories, brick-yards, ice factories, fertilizer factories, stove foundries, wire-fence factories, lime-works, soap factories, tanneries, glass-works, gas-works, whiting factories, distilleries, potteries, electric-light works, marble and slate quarrying companies, and companies to mine coal, iron ore, gold, silver, mica, natural gas, oil, &c. It is a healthy growth. Along the whole line of industry there is activity and great progress.

Basing our calculations upon returns received directly by the Manufacturers' Record, amply authenticated and verified, and in the case of incorporated companies compared with the official reports of the State officers, we find that during the first three months of 1886 the amount of capital, including capital stock of incorporated companies, represented by the new manufacturing and mining enterprises organized or chartered at the South, and in the enlargement of old plants and rebuilding of mills after being destroyed by fire, aggregates about $36,557,200.

This remarkable increase was not sporadic, but indicative of a steadily augmenting rate of progress. In its issue of July 10, the Record further says:

In the development of its manufacturing and mining interests the South moves continually on, each day adding to the number of the productive establishments that give employment to labor, increase the home consumption of farm products, enlarge the aggregate value of the annual output of manufactured goods, and help on the general prosperity not only of the entire South, but of the whole country. The record of progress is nothing less than marvelous.

Summing up the amount of capital and capital stock represented by our list of new enterprises, the enlargement of old plants and the rebuilding of mills after being burned, for the first six months of 1886, and comparing it with the figures for the corresponding time of 1885, we have:

States.	First six months of—	
	1886.	1885.
Alabama	$4,808,500	$3,580,000
Arkansas	11,428,000	375,000
Florida	981,000	479,000
Georgia	1,399,000	1,580,000
Kentucky	17,220,700	10,621,000
Louisiana	1,202,000	1,407,000
Maryland	5,139,000	4,633,000
Mississippi	457,000	416,000
North Carolina	1,485,200	1,535,000
South Carolina	538,000	427,000
Tennessee	5,297,000	1,802,000
Texas	2,986,000	1,319,000
Virginia	5,553,000	2,008,000
West Virginia	5,123,800	6,352,000
Total	63,618,200	36,534,000

These figures show an increase for the first six months of 1886 over the same time 1885 of $27,000,000 in capital and capital stock. The industrial activity in the South during the last six months, as indicated by these statistics, has been far greater than during the corresponding period last year.

FACTITIOUS DEMAND FOR FREE RAW MATERIALS.

The substitution of the bill under consideration for the Morrison bill which the committee had so long had under consideration, though a surprise to everybody but its authors, was not arbitrary. There was a reason if not an absolute necessity for the abandonment of that bill. For years the country has rung with a factitious demand for free raw materials, and the majority members of the committee had doubtless assured their constituents of their purpose to relieve them from oppressive taxation by the repeal of the onerous duties imposed by the existing tariff on raw materials. Sir, however learned these gentlemen may be in obsolete theories of political economy, they discovered when brought to the test of action that of the state of facts touching the question of duties on raw materials they had been ignorant; and when as a committee they undertook to designate the raw materials from which it was their purpose to remit duties they could not find them in any of the schedules of the tariff.

The Morrison bill proposed to enlarge the free-list by putting on it all ores, whether of copper, lead, iron, or other useful metals, mineral substances in a crude state, and unwrought metals not specially enumerated or provided for in the bill, together with all kinds of coal and coke. These are but a small part of the advanced articles it recognized as raw materials. The list is too long for recapitulation, as it filled seventy-four lines of the bill. The majority of the chairman's adherents on the committee were ready not only to accept his list but to enlarge it. But circumstances forced them to abandon this purpose.

The expediency of secret action by the committee which had been contemplated came to be doubted, and more than a fortnight was dedicated to the hearing of parties whose interests were affected by the provisions of the bill. This change of policy enabled the country to understand something of what was going on in the committee-room, and to raise the question, what commodities are raw, and should therefore be on the free-list. This was fatal to the bill. Declared free-traders from South Carolina, Georgia, and Louisiana hastened to convince the committee that neither rice nor sugar were strictly raw. The coal, ore, and iron producers of Virginia protested, in their several sections of the State, so vehemently as to constrain the house of delegates and the senate of that free-trade State to adopt identical resolutions informing the Committee of Ways and Means and the two Houses of Congress that in their opinion and that of the people of Virginia coal and ore when ready for the market or for use in the furnace or forge are not raw materials, but advanced commodities, the preparation of which is among the most fruitful sources of employment for the laboring people of that State, and that the labor and capital embarked in their production should therefore be protected by adequate duties. These legislative resolutions were presented to the committee and enforced by a large and intelligent deputation of citizens whose interests were involved. Nor were South Carolina, Virginia, Georgia, and Louisiana the only Democratic free-trade strongholds from which protests came. From enterprising and energetic men of Tennessee and Alabama came remonstrances, some against particular provisions and others against the general scope of the bill. However determined the majority of the committee were to disregard the appeals of Northern workmen or their employers, they could not resist the persuasive influence of the owners of rice and sugar plantations and Southern coal-mines and ore-beds.

The controlling members of the committee were, however, equal to the emergency. As they could not find in any of the dutiable lists materials that had not been advanced by labor, they treated as raw such manufactured articles as timber in all its elementary forms; salt, whether in bulk, bags, sacks, barrels, or other packages; the products of our fisheries, whether mackerel, herring, salmon, or other fish, fresh, smoked, dried, salted, pickled, or preserved, except anchovies or sardines, or other fish preserved in oil; all wools, whether on the skin, clipped, unwashed, washed or scoured, and hair of the alpaca, goat, and other like animals, and all base substitutes for wool, including rags, shoddy, mungo, waste, and flocks; and flax and hemp, and all substitutes for these fibers. None of these articles are raw. Lexicographers tell us that that is raw which has not been cooked; that raw material is material not cooked; crude, unmanufactured; or that which has not been prepared or treated by any process of art or manufacture.

Accepting any of these definitions, and the term raw material excludes from the free-list of a tariff which proposes to afford any degree of protection to labor all the articles embraced in this bill. Timber in all the forms included in the bill is material advanced by labor; brine is the raw material of salt, and to speak of salt in bulk, and especially of salt in manufactured bags, sacks, barrels, and other packages, as raw is a misnomer that might pass for a genuine Irish bull; to call the catch of our hardy fishermen raw when smoked, dried, pickled, or preserved is to contradict every lexicographer that ever gave a definition to that word; and the terms of the bill show that its authors do not regard wool as a raw material, for it is to be free, if washed or scoured. These terms "washed and scoured" indicate no process of natural growth, but the preparation and treatment by a costly process of art or manufacture of a carefully produced commodity.

Again, in providing for the destruction of the value of our flax and hemp fields by making flax and hemp and all substitutes therefor free, the language of the bill proves that the gentlemen have not proposed to confine themselves to raw material, for they provide for the abolition of all duties on either hackled flax or flax known as "dress line." And though jute, jute butts, sunn, and sisal grass, and other vegetable substitutes for flax and hemp, which we import, may be regarded as raw material, they are now dutiable in order to protect the growers of flax and hemp and thus promote the diversification of our agricultural productions.

Mr. Chairman, the demand for free raw materials was full of significance when I dedicated myself to the repeal of all duties thereon, the abolition of internal taxes, and the establishment of a truly protective system with such rates of duties and such harmonious provisions as would make it effective in promoting the development of our unparalleled resources, and in securing to labor and skill such rewards as they were justly entitled to. The demand was, I repeat, then full of significance, but for more than fourteen years, or since 1872, it has been as unmeaning as the cry of a gorged parrot, that "Polly wants a cracker." It is more than twenty years since I raised a cry for free raw materials, which I continued to press in this House and before the country until my demand was fully complied with. When addressing the Committee of the Whole on the 31st of January, 1866, I thus outlined my policy in this behalf:

The principal of the debt must be paid; but as it was contracted for posterity its extinguishment should not impoverish those who sustained the burdens of the war. I am not anxious to reduce the total of our debt, and would, in this respect, follow the example of England, and as its amount has been fixed would not for the present trouble myself about its aggregate except to prevent its increase. My anxiety is that the taxes it involves shall be as little oppressive as possible and be so adjusted that while defending our industry against foreign assault they may add nothing to the cost of those necessaries of life which we can not produce and for which we must therefore look to other lands. The raw

materials entering our manufactures, which we are yet unable to produce, but on which we unwisely impose duties, I would put into the free-list with tea, coffee, and other such purely foreign essentials of life, and would impose duties on commodities that compete with American productions, so as to protect every feeble or infant branch of industry and quicken those that are robust. I would thus cheapen the elements of life and enable those whose capital is embarked in any branch of production to offer such wages to the skilled workmen of all lands as would steadily and rapidly increase our numbers; and, as is always the case in the neighborhood of growing cities or towns of considerable extent, increase the returns for farm labor. This policy would open new mines and quarries, build new furnaces, forges, and factories, and rapidly increase the taxable property and taxable inhabitants of the country.

Would the South accept this theory and enter heartily upon its execution she would pay more than now seems her share of the debt and feel herself blessed in the ability to do it. Her climate is more genial than ours; her soil may be restored to its original fertility; her rivers are broad and her harbors good; and above all, hers is the monopoly of the fields for rice, cane, sugar, and cotton.

In the fiscal year which ended June 30, 1866, during which these remarks were made, our receipts from internal taxes amounted to $310,906,984 and exceeded by $16,936,320 the receipts during the last fiscal year from both customs and internal taxes.

The account stands thus:

From internal taxes, 1866		$310,903,984
From internal taxes, 1885	$112,498,725	
From customs, 1885	181,471,939	
		293,970,664
		16,936,320

The principle underlying this policy was not original with me. My faith in the doctrine of free trade, of which I had been a disciple, had been shaken by the logic of Dean Swift, who, when appealing to the Irish people in their own behalf in 1727, had said:

One cause of a country's thriving is the industry of the people in working up all their native commodities to the last; another, the convenience of safe ports and havens to carry out their goods as much manufactured and bring those of others as little manufactured as the nature of mutual commerce will allow; another, the disposition of the people of the country to wear their own manufactures and import as little clothing, furniture, food, or drink as they can conveniently live without.

I think, sir, that I may entitle myself to the gratitude of some gentlemen on this floor, especially of some of my associates in the committee-room, by informing them of the circumstances under which the change they are now so vehemently demanding was effected so long ago. Under instructions from the House the Committee on Ways Means, immediately after the adjournment of the session of 1868–'69, proceeded to California, Oregon, and Washington Territory to inquire into the workings of our revenue system upon the Pacific coast. As a member of that committee I participated in the investigations held at San Francisco, Portland, and the ports of entry of Washington Territory. After our return from that coast we made extended investigations in New York, Boston, and Philadelphia. Everywhere the wisdom of Dean Swift's inculcations upon the Irish people was demonstrated, as was the absurdity of collecting duties on articles which we could not produce and which entered as material into our manufactures or were required as food by our farmers, artisans, and laborers, such as tea, coffee, and spices.

When, therefore, the work of the committee had closed I determined to inquire into the best means of so extending the free-list as to relieve from duty all food and materials for manufacture which in itself or an adequate substitute could not be produced in our country. To this work I unremittingly devoted the leisure of the autumn months of 1869, of the years 1870 and 1871, and the greater portion of 1872, and in furtherance of my object corresponded with numbers of citizens of every part of the country. For several months my study presented the aspect of a Congressional committee-room, and the information I received was carefully collated. For several weeks during the autumn months of 1869 and the spring of 1870 certain evenings of each week were devoted to the work, on which occasions I had the invaluable assistance of leading chemists, textile and metal workers of the country, among whom were William Weightman and Charles Lennig, who were present at every such meeting. Mr. Weightman was attended by a stenographer, who recorded the conclusions at which the self-constituted commission of one arrived; and also undertook to have these conclusions printed in such form as to show the committees of the House and Senate what articles could be placed on the free-list with the least detriment to the revenues and the greatest benefit to our producing classes and national industries; what articles which yielded large amounts of revenue, such as argols, chalk, and spices, if it were doubtful whether the Government could safely part with all the revenue derived therefrom, should be scheduled under reduced duties; and what reductions should be made in the duties on commodities manufactured from materials from which duty had been entirely or in large degree removed so as to secure to the consumer the benefits to result from the proposed liberation of materials.

I am sometimes accused by imaginative gentlemen of the free-trade school, "friends of revenue reform or of tariff revision"—as they delight to call themselves—of desiring to prohibit international trade by building a Chinese wall around our country. To illustrate the intense ignorance of the recent industrial and financial history of their country of my accusers, and to invite their attention to some of the results of my labors to promote international trade by methods which would also stimulate domestic production, I cite a few facts from the Statistical Abstract for 1885. The results of my labors in this behalf were chiefly embodied in the acts of July 14, 1870, and of May 1 and June 6, 1872. They will be perceived by comparing the amount of goods imported and the proportions which were free and dutiable during the five fiscal years immediately preceding 1872 with those of the five years following that year, the figures for which I omit, as they were partially affected by the provisions of the new law.

Comparative statement of imports of free goods only during the five years preceding and those succeeding the passage of the tariffs of May 1 and June 6, 1872.

1867	$23,133,495	1873	$144,815,884
1868	15,190,781	1874	151,481,762
1869	21,646,692	1875	146,279,927
1870	20,140,786	1876	140,361,913
1871	36,587,737	1877	140,788,452
Total	116,699,491	Total	723,727,938

It should be noted that the amount for 1871 was materially increased by the act of 1870, and that the second of these periods was so largely influenced by a special cause as to seriously affect the trade of the country and the significance of its commercial statistics. It was during the years embraced in this statement that Germany and the United States were pursuing the quixotic attempt to demonetize silver, whereby they covered our land with bankruptcy among manufacturers and discontent among the laboring classes, and consequently curtailed our importation of goods, whether free or dutiable.

In order, therefore, to present a more perfect illustration of the extent to which the protectionist Congress of 1872 stimulated our foreign trade by remitting duties on raw materials and increasing them on such articles of home manufacture as needed increased defense, I present a statement of the free and dutiable importations of the five years from 1881 to 1885, inclusive, together with a statement of both free and dutiable goods imported during the terms above referred to:

Imports in—	Free.	Dutiable.
1867	$23,133,495	$372,627,601
1868	15,190,781	342,245,659
1869	21,646,692	395,859,687
1870	20,140,786	415,817,622
1871	36,587,737	483,635,947
Total	116,699,491	2,010,186,516
1873	144,815,884	497,320,326
1874	151,481,762	415,924,580
1875	146,279,927	386,725,509
1876	140,361,913	320,379,277
1877	140,788,452	310,534,674
Total	723,727,938	1,930,884,366
1881	202,491,547	440,173,081
1882	201,579,007	514,060,567
1883	207,504,718	515,676,196
1884	209,884,184	457,813,509
1885	193,213,624	384,313,705
Total	1,014,673,080	2,312,037,058

An examination of these figures will show that our total imports from 1867 to 1871 inclusive averaged $425,377,201, of which free goods averaged but $23,339,898; that from 1873 to 1877 inclusive the total annual imports averaged $530,922,460, an increase of $105,545,259 per annum, of which the annual average of free goods was $144,745,587, and that though the free goods showed an increase of more than $120,000,000 per annum, or more than 500 per cent., the importation of dutiable goods had fallen off less than $16,000,000 per annum, and this in a period of almost unparalleled commercial depression.

But with 1881 business revived, and the third of the above statements shows that from that year to 1885 inclusive the total importations averaged $665,342,027; and that though the free goods averaged $202,934,616, or an advance of nearly a thousand per cent. on the average of the first period, the dutiable goods largely exceeded the average of either of the other periods, having amounted to $462,407,411 as against $402,037,303 of such goods from 1867 to 1871, when the average of free goods was but $23,339,898, or, in other words, the dutiable goods alone exceeded both free and dutiable.

MISSTATEMENTS OF THE MAJORITY OF THE COMMITTEE.

Familiarity with and a respectful consideration of such facts as these would have prevented the majority of the committee from making such misleading statements as are found in the opening sentences of its report. The passage I refer to reads as follows:

The rate of duty or tax on imported goods subject to duty is as low as 5 on some and higher than 200 per cent. on others. The average rate for the fiscal year 1885 a little exceeded 47 per cent., or $47 of tax on $100 worth of imported goods. This is the highest rate paid in any year since 1868, and above the average rate of the war period from 1862 to 1868.

These statements are thoroughly misleading, and show how easy it is to make figures force false conclusions. Such statements are, as I will presently show, a very familiar portion of the sophistical methods

of free-traders. Continued controversy has made me acquainted with them. It is true that there are quite a number of duties that exceed 100 per cent. and some which exceed 200 per cent., and the uninstructed reader of this portion of the majority report would naturally infer that these high duties were imposed for the benefit of manufacturers, or as protective duties, while the truth is that they were imposed and are retained as a means of protecting the Government's interest in the internal tax on alcohol, which is at the rate of $1.78 a gallon. Thus the duty on bay rum is nearly 150 per cent., and if it were reduced spirits would be imported under that name and the public revenue be defrauded of the tax on alcohol. On Chinese fire-crackers, the fruitful cause of conflagrations and other accidents, the duty is 100 per cent.; but it protects no American manufacturer.

There is a line of articles on which the duty is 286 per cent., but this duty is protective only of the Government's receipts from internal revenue, being on compounds or preparations in which distilled spirits are a component part of chief value. But worse than that, here are duties one of which is more than 358½ per cent., and the other 322.84 per cent. They, however, do not protect any manufacturer of blankets or clothing, or iron or glass. No. They protect the Government's internal revenue. The former is on spirits distilled from grain and is $2 per proof gallon, and the latter on spirits distilled from other materials upon which it is also $2 per gallon. Here, too, is a duty of 100 per cent. on playing-cards, and here again is one on cleaned rice which is more than 106 per cent. and is a purely protective duty, but one with which I would not interfere, as rice-growing is one of the reviving industries of the new South. Producers of rice confidently assert that without protection they must abandon their plantations. Should not common fairness have induced the majority of the committee, in reporting the reasons which led to the adoption of such a bill, to frankly state that none of the duties of 200 per cent. and more are, so far as manufacturing interests are concerned, protective?

Again, we have this assertion: "The average rate for the year 1885 a little exceeded 47 per cent., or $47 of tax on $100 worth of imported goods. This, says the report, is the highest rate paid in any year since 1868, and above the average rate of the war period from 1862 to 1868."

If the reader of this report is keen enough to detect the fact that by the use of the words "subject to duty" in a period disconnected from this passage he may perceive the truth; but if he fail to carry the significance of those three words into these sentences with which they seem to be disconnected he will be grossly deceived by the statement.

I have just shown that nearly one-third of the goods imported since the success of my labors in extending the free-list of 1872 have been free of duty. Yet the majority report takes no heed of that fact. I affirm, and the Treasury statistics sustain my affirmation, that upon the imports received during the year 1884-'85 the average rate of duty did not, as this report intimates, exceed 47 per cent., was not $47 of tax on $100 of goods imported. If it had been so, inasmuch as the tariff rates have none of them been changed since 1883, the fact that the same duties involve a higher percentage now than they had done in the three years last past would simply prove that goods are cheaper now than they had been, and that therefore the same rate of duty made a higher per cent. on their foreign value. The truth is that during the last fiscal year we imported $579,580,053 worth, on which, including the enormous duties imposed for the protection of the Government's revenues from distilled spirits, the duties averaged 30.59 per cent., being but $30.59 on every $100 worth of imported goods, and showing an exaggeration of nearly $17 to the $100 in the report of the majority of the committee as it is doubtless accepted by readers generally. In support of my remark that such plausible misrepresentations are not a new device of free-traders, I cite the following from my remarks of the 25th of March, 1870, in support of the then pending tariff bill:

Why not maintain the existing tariff, and wherein does the bill submitted by the Committee of Ways and Means differ from it? Several gentlemen have propounded these questions, and I now propose to answer them briefly and rapidly. The existing law is crude, and contains many incongruous provisions. It is not in accord with the theory of the free-trader or the protectionist. It imposes the heaviest duties on articles of common consumption that we can not produce. Thus, on chalk, not an inch of which has, so far as I have heard, been discovered in our country, it imposes a duty of 833⅓ per cent. This onerous duty is not protective. We have no chalk-fields, and produce no substitute for it. It is, therefore, simply a tax, and one that everybody feels; the boy at his game of marbles, or before the blackboard in school; the housewife when she cleans her silver or britannia-ware, and the farmer in the cost of putty for his windows. The new bill puts chalk in the free-list.

* * * * * * *

I desire to call attention to the unfairness, unintentional of course, of the statement of the gentleman from New York [Mr. Brooks] that the existing tariff gives protection equal to an average of 41.2 per cent. That is the percentage of duties on the aggregate of our imports, and he will hardly claim that the duty of over 833 per cent. on chalk is protective of any of our industries.

Again, we collect a duty of 300 per cent. on pepper. Why should black pepper pay 300 per cent.? Do we grow it anywhere in this country? Is this duty protective of any of our industries? You pay 5 cents a pound for pepper, and the tariff imposes a duty of 15 cents gold, equal to 300 per cent., and the gentleman includes this in his average of protective duties. Do we grow cloves or clove-stems in any part of the country? Is the duty on them protective? It is on cloves 355 per cent. and on clove-stems 386 per cent., and yet the gentleman also includes these with his protective duties.

I will allude to a few more. On cayenne pepper, the duty is 303 per cent.; on allspice, 376½ per cent.; on nutmegs, 188½ per cent.; on crude camphor, 113 per cent.; on saltpeter, 77½ per cent.; on varnish-gums, none of which are produced in this country, 80 per cent.; on tea, the laborer's refreshing drink, 78½ per cent.; on coffee, 47½ per cent. I could largely extend this list of duties, each of which is a tax on some article of common consumption not produced in the country, and to that extent a bonus to our competitors. I am in favor of making all such articles free, and the committee has reduced the duties on them or put them on the free-list. When this shall be done, the gentleman from New York can calculate the percentage and find that our duties will compare favorably with those imposed by England and France.

INTERNAL TAXES BURDEN LABOR AND CRIPPLE ENTERPRISE.

Mr. Chairman, this extract was cited to show that exaggerated statements of the average ad valorem rate of duty imposed on imports by the tariff is familiar practice with American free-traders. It, however, serves another purpose. It illustrates the fact that it has ever been the policy of the party of free trade, or of tariff for revenue only, to embarrass our enterprise and labor by maintaining duties on articles which we can not produce, and are therefore compelled to import, and oppressive internal taxes upon our agricultural productions and commodities manufactured therefrom, while demanding reductions or the abolition of the duties on those articles which we can produce and must consume. It is by this policy that our home market for native food and materials, when converted into wares and fabrics, is to be given over to foreign competitors in accordance with the Anglo-confederate doctrine "that our ships and workshops should be stationed beyond the Atlantic."

To illustrate this point, let me invite attention to the fact that while demanding free material, however much such material may have been advanced by labor, they insist upon burdening with direct taxes, averaging about 400 per cent., much of our native raw material when converted by a single primary process of manufacture. The collection of these taxes imposed on the first manufactured product of our leaf-tobacco, our fruit, corn, and rye employs 4,000 men. The cost of collecting them for the current fiscal year is estimated at $4,619,190, and the amount that will be collected from our own people, and chiefly from our farmers and wage-earners, under this odious excise system will exceed $115,000,000, as is shown by the collections for the first ten months.

I repeat the assertion that this one hundred and fifteen millions will be paid chiefly by our laboring people. That the entire sum collected each year is paid by the American people can not be doubted, for when our tobacco, spirits, and malt liquors are exported the internal tax is remitted. There is no attempt to collect such taxes from foreign consumers of these articles. There is not only no law to authorize such collection but the Constitution prohibits export taxes. This one hundred and fifteen millions of dollars is therefore an oppressive assessment upon the enterprise and wages of the American people and a consequent bonus to foreign competitors in the world's markets, the abatement of which is demanded by sound economic policy.

Protectionist Congresses have forced the repeal of duties on raw materials which we can not produce in kind or in adequate substitutes; and in my judgment the arguments that sufficed to accomplish this result and to reduce the amount of internal taxation from more than three hundred and ten millions per annum in 1886 to $115,000,000 should have effected the repeal of the entire excise system. If we are to share in the world's commerce our labor and native materials must be relieved from these direct, oppressive, and needless internal taxes.

THE BILL IS A NEW AND DANGEROUS DEPARTURE.

This bill is a new departure in the revenue system of the United States. It is a declaration by the Democratic party as organized in this House in favor of absolute free trade. It abandons even the shadowy pretense of sympathy with our wage-earners, involved in what is known as incidental protection. It does not propose tariff revision, as that seductive phrase is popularly understood, by correcting "irregularities" destructive of the protective principle that may have found their way into our tariff through hasty legislation, adverse departmental decisions, or by changes wrought by the progress of invention or discovery or the transfer of modern machinery to fields of cheaper labor. Sir, the transfer of the skill, machinery, and energy of America and Western Europe to Russia and Asia is bringing the producing classes of Great Britain, France, Germany, and other continental states with whom our laborers now compete, and by whom they would under free trade be driven from our own market, into direct competition with the emancipated serfs of Russia and the coolies of British India, whose wages average from 4 to 10 cents a day.

It does not propose a horizontal reduction of duties, and in contradistinction with the horizontal bill which was rejected by the last Congress it may, as it proposes to annihilate every industry it touches, be known as the dynamite bill. Should it pass the two Houses and receive the President's approval, how will it affect our lumber interests, the capital invested in timber lands, and the army of laborers who are earning living wages thereon along the Canadian line, from the Aroostook to the Rocky Mountains? Will either of these classes or the people at large be benefited by reserving our immense supply of timber as food for accidental forest fires, or a means of gratifying the vengeance of Indian tribes, or by the transfer to Canada of our lumbermen and the machinery employed in the production of the forms of woodwork which this bill proposes to put upon the free-list?

What will become of the capital and energy invested in sheep husbandry and the labor it employs? How will the proposed repeal of all duties on salt affect the capital and labor employed in the conversion of

brine into salt—that absolute necessity for the preservation of animal health and life? Why should this great agricultural nation practically prohibit, as this bill proposes to do, the production of hemp, flax, and all substitutes for these invaluable fibers? What compensation will it be to the American people that though unpatriotic legislation has driven our fishermen from the seas the prosperity of those of Canada has been improved? The proposition to remove all duties from the productions of these great industries is a bold declaration in favor of absolute free trade, and announces that to divide and conquer the protectionist forces is the policy by which free-traders expect to check the growth and paralyze the productive energy of the country.

The triumph of this bill would inaugurate an industrial revolution, one of the early results of which would be the destruction of our home market. That ours is the best market of the world is attested by the ingenious, persistent, and fraudulent means employed by foreign manufacturers to invade it, of which undervaluation in invoices of goods subject to ad valorem duties is a gigantic illustration, and by the acknowledged fact that it is in this market that our farmers find sale for more than 90 per cent. of their productions. The passage of this measure would, by the general paralysis of industry and loss of wages it would produce, destroy our home market and beget social agitation, the ultimate effect of which no man can predict. The effort to inflict it upon the country is without patriotic justification, and is supported by official statements touching the history and aims of existing tariff laws which are as false as they appear to be deliberate and concerted. That it has the support of the administration is but too apparent. It is true that the President in his annual message indulged in this sentimental reference to the industries and interests which have been encouraged by protective laws and to the interests of American labor.

> Justice and fairness dictate that in any modification of our present laws relating to revenue the industries and interests which have been encouraged by such laws, and in which our citizens have large investments, should not be ruthlessly injured or destroyed. We should also deal with the subject in such manner as to protect the interests of American labor, which is the capital of our workingmen; its stability and proper remuneration furnish the most justifiable pretext for a protective policy.

IT HAS THE SUPPORT OF THE ADMINISTRATION—FLAGRANT MISSTATEMENTS BY THE SECRETARY OF THE TREASURY.

But the author of these glittering generalities referred Congress to the report of the Secretary of the Treasury for practical suggestions, and specially urged upon the attention of Congress the Secretary's recommendations in the direction of simplification and economy in the work of collecting customs duties. We must therefore go to the report of the Secretary of the Treasury to learn by what practical measures the President "would protect the interests of American labor" and "defend against ruthless injury or destruction the industries and interests which have been encouraged by protective laws, and in which our citizens have large investments." Neither laborers nor the owners of capital invested in protected manufactures can derive comfort from these recommendations of the Secretary.

Opening the portion of his report which the President commends to Congress with a denunciation of our customs laws as "a chaos rather than a system," he proceeds to assert that "our tariff laws are a legacy of war," "that they have been retained without sifting and discrimination, although enacted without legislative debate, criticism, or examination." These reflections on the action of a co-ordinate branch of the Government are as indecorous as they are false. I can not persuade myself that the Secretary of the Treasury himself would have ventured upon such audacious assertions. That he could have personally prepared this report is well-nigh impossible; the country knows that until he entered upon the duties of the Treasury Department he had had no official connection with our revenue system; that he had filled no position the duties of which would require or impart familiarity with the history or details of that system, and that he therefore must have devolved the preparation of this portion of his report upon one who availed himself of the Secretary's confidence to advance his personal theories by the reckless audacity of his statements.

Let us examine some of them. Are our tariff laws a legacy of war? If our tariff laws are a legacy of war the nation has never been at peace. The second law to which President Washington affixed his signature was the act known to history as "the tariff act of July 4, 1789." The authors of that act were the illustrious men who achieved our freedom and framed our Constitution. They knew precisely what objects they had in view in passing that law. They were incapable of double dealing on so important a subject, and declared the objects they had in view in a preamble which should not only be understood by their contemporaries, but descend to posterity as a declaration of their purposes and their sense of the objects Congress should ever have in view when considering tariff laws. The opening words of that preamble were:

> Whereas it is necessary for the support of the Government, for the discharge of the debts of the United States and the encouragement and protection of manufactures, that duties be laid on goods, wares, and merchandise imported.

From that day to this we have never been without a tariff. In peace and in war our main source of revenue has been customs duties collected under tariff laws. Three times this source of revenue has been found insufficient for current exigencies and been supplemented for brief periods by war taxes under an excise system. First for a period of less than eleven years to assist in providing means for the extinguishment of the debt to which the nation was born. The law authorizing such taxes was on the earnest recommendation of President Jefferson repealed before that debt had been extinguished. Again we resorted to war taxes as supplementary to customs duties in bearing the expenses of the war of 1812 with Great Britain, but at the end of four years the law authorizing their collection was repealed upon the recommendation of President Monroe. For the third time in our history war taxes were authorized when they became necessary to provide means for the suppression of the rebellion; and it is to perpetuate these temporary taxes in the face of an unbroken line of Democratic precedents, and for the purpose of destroying our industries and the wages of our labor, which have been created and adjusted under protective laws, that the administration and the controlling committee of this House are now laboring.

The administration and the authors and Congressional promoters of this bill resist the repeal of that legacy of war, the internal-tax system, though it would enable us to reduce the duties on every drug, medicine, perfume, or manufactured article of any kind into which alcohol enters as an ingredient or in the preparation of which it is used as an agent. Yes, sir; when we relieve alcohol for use in the arts of the existing tax of $1.78 a gallon a very material reduction of many of our highest customs duties may safely be made.

But to recur to the Secretary's report. Are the assertions that our tariff laws have been retained without sifting and discrimination and that they were enacted without legislative debate, criticism, or examination true? I affirm that no question raised before the first Congress elicited more discriminating discussion than did our revenue system and the means of its administration, especially with reference to the development of our great natural resources, the establishment of private ship-yards, the development of the art of ship-building, and the creation of a merchant-marine which might be depended on for supplying fleets and men for a navy when one should be needed.

From the opening days of the First Congress to the close of the Forty-eighth our customs system has been the subject of almost continuous consideration. Sir, the correctness of this allegation will be apparent from a recurrence to the discussion of the repeal of internal taxes which was begun in 1866, and of the duties on foreign materials the use of which was essential in our newly developing manufactures. Did not the requirement by the House of Representatives that its committee of Ways and Means should devote the vacation of 1869 to the investigation of the subject in connection with examinations of the administration of the laws in the custom-houses of the whole country show its earnest desire to act on questions of revenue in the light of the amplest knowledge and fullest consideration of all the facts and opinions involved? Were the elaborate investigations it was my privilege to make during 1870,'71, and '72, the effect of which was so strikingly demonstrated in the repeal of duties on foreign materials and the rapid reduction of internal taxes, evidence that our tariff laws were enacted without legislative debate, criticism, and examination, and had been retained without sifting and discrimination? Mr. Chairman, as pertinent to the allegations of the Secretary I beg leave to submit a brief but graphic extract from the remarks of General Schenck, chairman of the Committee on Ways and Means, on March 31, 1870:

> A tariff bill is necessarily one of details, and the most profitable discussion of it, therefore, if you admit the propriety of having any tariff at all, will be that which treats of the various clauses and items of which the bill proposed to be enacted into a law is composed. It is a consideration of not one but many different subjects. * * * There are a great many difficulties attending the making or mending of a tariff, and I wish some of these gentlemen who can stand up here and do what it is always so easy to do—criticise, pull down, object—had been themselves submitted to the test of trying to do the same work. Most of the members of this House, whatever the country may know or not know about it, are aware of the fact that the nine gentlemen composing the Committee of Ways and Means have been subjected to confinement and labor almost equal to the pains and penalties of imprisonment in a penitentiary day after day, week after week, month after month, in endeavoring to reconcile, with prudent provision at the same time for the public good, all the different claims presented by persons coming from different parts of the country and representing the different interests and pursuits of our people.
>
> In the course of this investigation and task I have found one thing pretty certain, and that is that every man of every party who has any article or interest to be protected desires that it shall have such advantage in fullest measure, but is too often perfectly willing to join in the cry that nobody else shall have the benefit of like protection. If there has been anything that seemed to me sometimes to exceed the selfishness of the manufacturers who wanted everything that they made coverpd by a good, high tariff, but everything out of which they made it to come in free, or at the lowest rate, it has been the selfishness of the importers who wanted no tariff at all, or none which should interfere with their bringing in, in the conduct of their trade, anything they pleased, or from which they could make profit, from abroad. The truth is that at every turn, when seeking for information, we have had to encounter this natural bias of selfish and personal interest—generally honest, sometimes disingenuous in the representations made to us, but always to be watched and allowed for as an element in our calculations. Out of this material we have made the bill which we have presented to you, and in framing it we have endeavored to never lose sight either of the Government, which requires revenue, or of the people who consume what is imported, or of the industry or capital which is entitled to be encouraged and cherished wherever that can be properly done.

But let us again recur to the text of the Secretary's report. It says:

> Many rates of duty begun in war have been increased since, although the late Tariff Commission declared them injurious to the interest supposed to be benefited.

In this connection it is pertinent to ask when the war closed and when, if ever, the Tariff Commission made such a declaration. The war closed

early in 1865; the commission reported more than eighteen years thereafter, in the last month of 1883. In the light of these dates the reference to the commission smacks a little too much of the *ad captandum* for an official paper, the averments of which in other respects are not in accordance with the facts of the case. I have shown by official figures that since 1872 nearly one-third of our annual imports have come in free of duty.

Since the close of the war the settlement and development of unsettled portions of our country and of the world have succeeded each other with startling rapidity; invention and discovery have wrought marvels, science has been applied in every direction to the useful arts, and as a consequence duties have been required by and imposed on commodities which were unknown or which we were unable to produce before or during the war. We had not begun the manufacture of steel rails when the war closed, and the first such rails purchased by our leading companies cost $160 in gold a ton, or more than $400 per ton in national currency, when delivered in our ports. Coal-tar was then an annoying refuse at the gas-works of every municipality. It is a waste and a nuisance no longer; it supplies us with alizarine and the aniline dyes which give such brilliant colors in such infinite variety to our textiles. On newly discovered or invented articles duties have been imposed since the war, and I trust that we shall continue to give our countrymen the benefit of every such discovery and invention by the imposition of duties that will justify inventors and capitalists in incurring the risk of attempting their production in commercial quantities. "They," these duties, "have been retained," says the Secretary's report, "at an average ad valorem rate for the last year of over 46 per cent., which is but 2½ per cent. less than the highest rate of the war period, and is nearly 4 per cent. more than the rate before the last revision. The highest endurable rates of duty, which were adopted in 1862–'64 to offset internal taxes upon almost every taxable article, have in most cases been retained now from fourteen to twenty years after every such internal tax has been removed. They have been retained while purely revenue duties upon articles not competing with anything produced in the thirty-eight States have been discarded."

Had the author of this report examined the statistics of the Department for the head of which it was to speak he would have found that the average rate of duty on our imports was not, as he alleges, 46 per cent., but was, as I showed when replying to the misstatement of the report by which the majority of the Ways and Means accompanied this bill, but 30.54 per cent. It was from the records of the Treasury Department I obtained the figures, and I may therefore characterize as an unpardonable misstatement this averment that "duties have been retained at an average ad valorem rate for the last year of over 46 per cent." But how shall we characterize this statement which follows it:

That the highest endurable rates of duty which were adopted in 1862–'64 to offset internal taxes upon almost every taxable article have in most cases been retained now from fourteen to twenty years after every such internal tax has been removed?

An admission of the truth of this allegation will require us to demand from the Secretary the authority by which he collected from internal taxes during the last fiscal year $112,498,725.54. If, as the Secretary says, the internal taxes have all been removed, why have not the four thousand officers, whose maintenance in office costs nearly $5,000,000 a year, been disbanded? Are these expenditures maintained, this army of retainers disciplined and paid, without authority of law? Or is the statement a falsehood more reckless in its audacity than those with which it is interwoven? Among the many misstatements of this part of the report I am glad to be able to note one candid admission. Following the allegation "that such duties have been retained after every internal tax has been removed" comes the admission that while "they [protective duties] have been retained purely revenue duties upon articles not competing with anything produced in the thirty-eight States have been discarded," which is another way of saying duties protective of the labor involved in our manufactures have been maintained while those on commodities which do not compete with anything we produce have been repealed, and thus comes confirmation from this official source of all my allegations on these points of controversy between the doctrines of free trade and those which demand protection for native industry. That we may have these differences distinctly before us while examining the Secretary's report, let me produce an extract from my remarks of April 25, 1870, in which they were summarized with special adaptation to the circumstances of that day, as follows:

The protectionists of the United States behold in our country a world gifted with all soils, all climates, all mineral resources, and with the powers of wind, water, and fuel on a grander scale than the nations of Europe combined. They believe in developing these resources and making wind, water, fire, and all the powers of nature disclosed to us by science contribute to the welfare of man. They believe in so applying science and the mechanic arts that the exhausting drudgery of labor may be lifted from the shoulders of the toiling masses and put upon organized iron and steel moved by steam and guided by man or woman.

Sir, if gentlemen will visit the machine-shops in my district (the leading district in the country in machine-shops) they will see that the heaviest work done in many of them could, by the aid of the machinery with which they are furnished, be done by cultured youth and women. The pulley, the wheel, the lever, the screw, and the trip-hammer lift the burden from the muscles of man, and, obedient to his will, achieve their astonishing results.

Yes, sir, the protectionists would develop our natural resources. They would also develop and stimulate commerce. How? By removing all commercial restrictions that intervene between us and the non-manufacturing people of the tropics, the ancient East, and the islands of the sea. The gentleman from New York [Mr. Brooks] spoke of the time when our flag was to be seen in the distant Straits of Malacca. Ay, sir, that was when tin and tea and coffee were free. To woo back that commerce the minority of the committee, as protectionists, propose to put tin again on the free-list with the productions of the lands which yield us tea and coffee and those of the people who dwell among the spice groves of the world or find shade beneath trees that drop their medicinal gums. These people produce what we need for food, for medicine, and in the arts; we produce what they need; and we would remove all restrictions from commerce between them and our countrymen.

We would also remove all restrictions on trade and commerce between American citizens. We wish to emancipate our domestic commerce. To-day the trade of our country is so embarrassed that in large lines of industry and commerce no man knows that the revenue detective may not at any moment come upon his premises and degrade him by arrest and ultimate conviction. We are collecting this year from our own productions and commerce between our own people, by stamp and other internal taxes, from one hundred and thirty-five to one hundred and forty million dollars, thus embarrassing at every point the production of wares, fabrics, agricultural staples, and restraining commerce between American citizens in their own land. Pursuing freedom of trade, the party I represent, the protectionists, would hasten the day when the odious stamp-tax shall be repealed, and when no Government detective shall enter the home or the business place of an American citizen on legal errand.

How would we raise sufficient revenue? Sir, beyond the ocean, lying on the same parallels that mark the northern portion of our country, are manufacturing nations—Great Britain, France, Belgium, Germany, and Russia, which latter country is now, under the protective system, engaging largely in competition in foreign markets with Great Britain and France. They produce what we do—iron, steel, and other useful metals. They spin and weave cotton, wool, silk, and other fibers. They manufacture chemicals. They compete with us in all lines of industry. Here, sir, is the field from which the protectionist would raise the revenue of the Government. The laborer of those nations is paid sometimes one-eighth the wages of American workmen in the same line; sometimes one-seventh, one-sixth, one-fifth, or one-fourth; sometimes, in Great Britain, nearly one-half what the American receives for the same work; and rarely or never a larger percentage. Now, Mr. Chairman, the protectionists would levy such duties upon the productions of this underpaid labor as would make its lordly employers pay the expenses of our Government for the privilege of entering our market and impairing the field for employment and the wages of labor in this broad and richly endowed country. They would maintain such duties on productions common to those countries and ours as would protect the American rate of wages, however high it may be raised. They regard a workman's skill at his trade as his estate, and would thus defend and protect him in its enjoyment.

So much for the theory of protectionists as understood by one who believes he serves his country and mankind by advocating it in season and out of season.

But to recur again to the text of the Secretary's report. What shall I say in reply to his assertion that "our customs laws are a chaos rather than a system?" The first response I make is that if our customs laws are not systematic or are marred by "irregularities," it is mainly due to the inexplicable rulings of the Treasury Department as to rates of duty which had been vindicated by long usage, as in the case of those on worsted goods. In further reply to the railings and unfounded allegations of the report on this point I may cite language used by me in my remarks of May 5, 1882, in justification of a tariff commission. In that address I replied as appositely to this charge of want of system in our tariff as I can to-day:

I am not prepared to admit that the existing tariff needs such revision as implies overthrow and reconstruction. It needs amendment in matters where, by the development of new resources or the progress of science, art, and inventive power, new commodities, new forms of matter, novel combinations of materials in familiar use have been called into existence, and new commercial designations into invoices. These should have their appropriate classification in the tariff law, and not depend on departmental decision under rates designated for articles "not otherwise provided for," a phrase to be found in each schedule of the statute. The report of a commission, consisting of nine discreet men, uninfluenced by the partisan spirit that pervades this House and the Committee on Ways and Means, will, I believe, while suggesting appropriate modifications of some of its provisions, vindicate the patriotism, wisdom, and prescience of the framers of the existing law. I have no apology to make for the part I have taken in maintaining and, in accordance with my judgment, perfecting that law. Its provisions are philosophical and harmonious. Its framers regarded all forms of American labor, and, placing a duty upon the primary element of an article if of native production, advanced the rate as the article was advanced by an increased expenditure of labor.

* * * * * * *

Its classifications, like its scales of graded duties, were scientific. With the law here before me, I challenge gentlemen to indicate where confusion is to be found in its original classification of commodities. Its works are its ample vindication. It has accomplished the objects its framers had in view; has promoted the development of the vast and varied resources of the country by such a diversification of employment as secures work, wages, and an opportunity for the exercise of the aptitudes of all our people, whether the brawny man with ax or sledge-hammer or the feeble but gifted girl with her pencil.

Mr. Chairman, I reaffirm every allegation embodied in this extract as applicable to "the irregularities of our tariff," which the Republican party, through its last national convention, pledged itself to endeavor to redress. The existing tariff needs revision in so far only as its symmetry has been impaired by ill-considered changes made in the hasty action which attended the presentation, consideration, and adoption of so complicated a measure as a tariff law in the short session which closed the Forty-seventh Congress. A number of its wisely adjusted protective duties have also been materially enfeebled or absolutely neutralized by departmental decisions which the Democratic majority of this House persistently refuses to remedy. But while making these admissions I deny that it requires such revision as implies overthrow or reconstruction on a new basis.

WHAT REVISION THE TARIFF NEEDS TO CORRECT ITS "IRREGULARITIES."

The Tariff Commission did not recommend essential changes in the classification or graded scales of duties of the then existing law. It found them to be as I had described them, scientific, and while it modified some of the schedules it did it with reference to the maintenance of existing classifications, and especially to scales of duties

graded by the amount of labor involved in the production of each article. While now resisting its general revision, I would so amend certain provisions as to make it as protective to all our industries as it was until the supremacy of the free-trade Democracy in this House was achieved and the intrenchment in the Treasury Department of administrative officers whose opinions on revenue questions were not in harmony with the traditions of that party which saved the country and with magical power developed its wealth and international influence. Were the Republicans in control of the House my method of correcting the "irregularities of the tariff," whether they had been produced by construction or unwise legislation, would be to promptly restore by appropriate legislation to the commodity injuriously affected a duty in accordance with existing classifications and general rates of duty.

Among the articles the production of which we have by mistaken legislation practically prohibited is quinine. It furnishes a striking illustration of the unreasoning devotion of the majority of the House to a theory which refuses to correct an irregularity or inequality in the scale of duties however apparent it may be. In response to a senseless demand for free quinine, which had been fomented by many years of demagogic agitation, that article was placed on the free-list. This was done not in a tariff bill which was referred to the Committee of the Whole House for discussion, but by a resolution, no consideration of which was permitted. So long as we can not manufacture quinine and all the salts of quinia ours is not an independent country. Vast sections of our territory, including whole families of States, are subject to malarial influences, the effects of which are controllable chiefly by quinine and its kindred salts, the most potent anti-malarial tonic and febrifuge known to pharmacy.

Ours is, I repeat, not an independent country and can not be while the people of its malarial regions are compelled by specific legislation to depend on foreign countries for these potent remedies. But it is asked whether it be true that we have prohibited the production of all the salts of quinia. It is true. Yes; we have practically done this by placing the finished productions, all of which are highly manufactured by expensive processes, on the free-list, while taxing alcohol, an important agent in their production, under the excise system at the rate of $1.78 per gallon. While other nations protect the finished article and furnish free alcohol for its manufacture, we refuse to follow even the example of free-trade England and impose a duty sufficient to countervail the spirit tax.

In this particular respect England and Holland have furnished us examples which we might follow with infinite advantage. The cinchona tree is a native of the elevated plateaus of South America; its bark was resorted to as a tonic and febrifuge by commercial nations more than a century ago under the designation of Peruvian bark. Meanwhile science has extracted quinine, cinchonidia, and their salts from cinchona bark, the various salts of which are now among the chief curative agencies of the world. To secure a supply of these medicines for her army and navy, especially when in the tropics, England expended millions of pounds sterling in experiments in producing and developing cinchona groves in British India, and Holland, as a commercial venture, made like experiments on the island of Java. Both nations have been rewarded with such success as to give them ample pecuniary returns for the investments made.

We are assured by those competent to speak on the subject that experiments made with intelligent Government assistance in California and on some of the elevated plateaus of our Southern States would be as successful as those of England and Holland have been, and add a new and lucrative department to the industries of this country, as well as tend to the cheapening of potent restoratives for which, while existing legislation continues, we must depend on foreigners for both the raw material and the manufactured commodity.

Among many other articles which we formerly produced with great advantage, the production of which has been suspended by unwise legislation or mistaken departmental construction of laws, I may name pearl buttons, wire rods, fine sheet-iron, hoop-iron, cotton-ties, tin-plates, taggers iron, and worsted yarns and fabrics. The bill which Mr. MORRISON first submitted to the House proposed to put coal and iron ore on the free-list. This proposition was received throughout the iron-producing regions of the South with such intense denunciations as to force the abandonment of a bill framed on that basis; but when the Republican minority have proposed to consider the question of protecting coal and iron ore when advanced to wire rods, sheet-iron, hoop-iron cut to lengths, cotton-ties, taggers iron, and tin-plates, of which taken together we import hundreds of thousands of tons, the idea is scoffed at and the proposition elicits nothing but sneers.

The injustice of singling out individual branches of industry for destruction is admitted, but the admission is made in connection with the suggestion that consent can only be had to put them on equal footing with other industries by making an equal reduction of duties on all other articles. There is not an iron-ore producer or a maker of pig-iron in our country who has not an interest in the restoration of adequate duties to all the metallic products I have named, and the day will come when they will unite in demanding such duties on these articles with as much vehemence as they opposed the proposition to put iron-ore on the free-list.

In concluding this branch of my subject I beg leave to refer to the action of the Treasury Department on the wool and worsted interests. The language of the tariff of 1883, which demagogues tell us destroyed the manufacture of worsteds, yarns, and the fabrics woven thereof, and of women's and children's dress goods, cloaks, dolmans, &c., is not original in that act. It was adopted in the act known as the "wool and woolen tariffs of 1867." It had been formulated by a convention of wool-growers and woolen manufacturers just twenty years ago, and it passed into the statutes of the country one year thereafter. For many years its meaning was not questioned by importer, manufacturer, or administrator of the law. As worsted yarn is made of wool and can be made of nothing else, the fact that worsted was covered by the word "wool" was not doubted or questioned, and having been adopted in 1867 and not changed when the tariff was revised in '70, '72, or '83, it has been discovered since 1883 that the language did not mean what those who embodied it in the form of law in '66, or those who enacted it into law in '67, or those who administered it as law from '67 to '83 believed it to mean.

Meanwhile the worsted interest grew and expanded each year by employing more capital and more wage-earners; the manufacture of ready-made clothing for men and women became a more important branch of business during each of those sixteen years—from '67 to '83—employing more people and creating a wider home market for our native wool, but further progress in these directions has been checked, under the inspiration of the doctrines of free trade; and the manufacturers of woolen and worsted goods in their own behalf and that of their employés, with almost one voice, have appealed to Congress, in the following clear but brief statement of the evils of which they complain and the modifications of law required, to overrule the destructive adjudication made by the Treasury Department:

That this association adheres to its declaration to Secretary Manning, indorsed by a majority of the wool manufacturers of the United States, that there should be "no change at present in the existing wool and woolen tariff, nor a general revision of the tariff by the present Congress."

That this policy does not apply to such legislation as may be necessary to carry out the manifest intent of the existing tariff, as understood by those who assisted in framing it.

That certain constructions of the laws bearing upon the important manufactures of worsted cloths, of women's and children's dress goods and of cloaks, dolmans, &c., have been made by the courts and Treasury Department, which, in our opinion, are contrary to the intent of the framers of the law and positively contrary to our understanding of the meaning of the provisions in question when we recommended their adoption.

That whereas these erroneous constructions subject to a ruinous foreign competition investments of not less than twenty millions of American capital, removed from employment thousands of workmen and from consumption at adequate prices millions of pounds of domestic wool, the adoption of the following joint resolution or its equivalent by Congress is urgently recommended:

A joint resolution declaratory of the meaning of certain provisions in Schedule K of "an act to reduce internal-revenue taxation, and for other purposes," approved March 3, 1883.

SECTION 1. That on and after the date of the passage of this resolution, for all purposes relating to customs duties and importations, "woolen cloths" shall be held and construed to include worsted cloths.

SEC. 2. That for the purposes above named the concluding proviso of paragraph 365 of said act relating to "women's and children's dress goods" shall be held and construed to apply to the whole of said paragraph.

SEC. 3. That for the purposes above named the term "knit goods," in paragraph 367 of the said act, relating to "cloaks, dolmans," &c., shall be held and construed to apply only to garments shaped wholly by knitting.

THE DISTINCTION BETWEEN NATIONAL ECONOMY AND POLITICAL ECONOMY.

The response to these appeals and the many kindred ones pending before the Committee of Ways and Means assumes its character in each case from the doctrines of the economic school to which the respondent adheres. The contention between the economical systems called political economy and national economy involves not merely economic theories, but the whole complicated question of social science and the well-being of nations. The differences between political economy as taught by the Manchester school and propagated in the United States by the Cobden Club and national economy as propounded by Henry Clay and formulated and perfected by Fred. List, Henry C. Carey, Stephen Colwell, Andrew Stewart, William Elder, and their disciples are irreconcilable.

Faith in national economy demands instant affirmative action as the appropriate response to such appeals by citizens to Congress; but the believer in the dogmas of political economy may consistently reply to them with a jeer, and assure those whose means of subsistence are involved in the prosperity of the stricken industries that to make like reduction of the duties which protect other industries is the only description of relief to which he can consent. National economy considers the welfare of each citizen as an element in the general welfare, and regards national strength and independence as second only to the welfare of the citizen; but political economy disregards national boundaries, the autonomy of States, and the sentiment of patriotism. It claims to be cosmopolitan, and announces as its supreme object the procurement of cheap goods. Its beneficiaries are not the poor whose ill-requited toil produces what neither they nor their families may share, but those whose wealth or fixed income enables them to live without labor while consuming that which they have not produced.

This bill by its proposal to repeal all duties which afford protection to the products of several great industries, and to thereby deprive of employment and impoverish the many thousands of laborers engaged

therein, marks the line which sharply divides the adherents of these irreconcilable schools. Each vote upon the bill, should it ever receive consideration, will attest the accuracy of this view. In its pursuit of cheap commodities, which necessarily involve cheap labor, political economy would surrender our home markets to foreigners and promote the free importation of the productions of those laborers who are most poorly paid, fed, and housed. Of course the disciples of this school will support the bill; but as national economy seeks the development of the material resources of each country and of the faculties and aptitudes of its people by converting native material into commodities essential to the comfort and happiness of the people, its adherents will strive to secure to their countrymen the right to supply their own markets, and every national economist will consequently be found voting against this bill. The fact that the House refuses to consider a bill framed in disregard of national interests, though submitted by its leading committee, emboldens me to congratulate my countrymen on this refusal as a sure indication that their representatives will not consent to regard the labor of American citizens as raw material and enter it in a world-wide competition for cheaper wares and fabrics.

The Life-Saving Service.

SPEECH

OF

HON. JAMES BUCHANAN,

OF NEW JERSEY,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, April 10, 1886.

The House having under consideration the bill (H. R. 6975) to authorize the establishment of additional life-saving stations upon the sea and lake coasts of the United States—

Mr. BUCHANAN said:

Mr. CHAIRMAN: I am not surprised that this bill should meet with opposition in certain quarters. Some gentlemen representing districts in the interior seem to think that this Government exists solely for the purpose of carrying their mails and supplying them with vacant post-offices to appease the appetite of hungry patriots. They speak and act as if they were entirely ignorant of the fact that this country stands at the head of the nations of the world in the extent of her commercial intercourse with other countries.

They do not seem to know that while our tonnage is inferior in amount to that of Great Britain, it is superior to that of any other nation, and is in fact nearly four times as large as that of either Germany or France. They do not seem to know that the whole coastwise and lake-front trade belongs exclusively to our own shipping, and that to-day we have 2,895,371 tons afloat engaged in that trade. Born hundreds of miles from salt water, reared far from the busy haunts of commerce, their minds do not seem to have yet broadened enough to understand fully the wants and necessities of "those that go down to the sea in ships." To them a clumsy dug-out propelled across some muddy bayou, or down some snaggy stream winding sluggishly through a cottonwood bottom, is the climax of navigation. Their hearts never glowed with admiration as they looked upon the full-rigged ship under her cloud of canvas sailing majestically like a thing of life upon the ocean's blue. Their pulses were never quickened as they watched the swift and powerful "greyhound of the seas" plow the mighty deep.

Perchance they never breathed the life-giving salt-sea air; its breezy freshness and the murmur of the surf are all unknown to them. And when secure in their homes the stormy winter's night shuts down with its darkness and cold and driving sleet, they know nothing of the thousands of brave hardy seamen off the coast, covered with the freezing spray, benumbed with cold and drenched with rain, standing bravely to their posts, or freezing in the rigging, looking anxiously for the warning light which tells them of treacherous shoals or dangerous shore.

They know nothing of the brave and hardy men who all along our coast, in the midst of the storm and darkness, patrol faithfully the beach, peering out over the angry waters into the wildness of the night to catch the first glimpse of some oncoming bark to warn her with ever-ready signal of her danger. And when warning has been in vain, and the tempest has conquered, and the gallant ship lies a helpless thing at the mercy of wind and wave, and her crew and passengers stand face to face with death, then these gentlemen know the result of the courage and manhood of these surfmen as they rush to the rescue, brave the angry waves, and, facing death like heroes, rescue the perishing. And when, as sometimes happens, these heroes, on their errand of humanity, are swallowed up by the angry seas and their brave lives go out forever, then these gentlemen do not know, and perchance do not care to know, the horror and despair which settles down like a horrible pall upon the helpless, often homeless, wives and children left behind.

Ah, sir, I plead with these gentlemen to fully inform themselves as to these things. I earnestly ask them to study more carefully the extent of our commerce, and to more thoroughly know the noble and God-like work our Life-Saving Service is doing. I ask them to come to our coasts, not in the summer when the seas are calm and the waves are stilled, and only the sad murmer of the surf is heard as with eternal unrest old ocean beats against the shore, and the gaudy butterflies of fashion throng the sands, whispering love to hearts that fondly whisper love again, but in the cold and dreary winter, when the ocean beats high, and through the blinding sleet and sharply-driven sands the faithful surfman, in the darkness of the tempestuous night, patrols his lonely beat along the shore.

I ask them to go with me to the desolate homes of those brave men who but a few short weeks ago perished on the coast in my own district in bravely endeavoring to rescue a shipwrecked crew, and mingle their tears with the grief-stricken widows, and look upon the helpless orphaned little ones, left with nothing but a pittance between them and absolute want, and, methinks, their opposition would melt away in gratitude and thankfulness that America had reared such heroes, and the measure I introduced here a short time ago, providing for showing the nation's appreciation of such heroism by making some provision for these widows and orphans, would be speedily reported.

Meanwhile I beg the attention of these gentlemen for a few moments while I state in a few words the facts shown by the official records as to the work of the Life-Saving Service. This service was not established all at once as a fully organized system. First, a few stations on one part of the coast, then another at another point, then one somewhere else, as seemed to be most urgently needed, then upon the lake front, and finally a few upon the Gulf coast. The upper Atlantic coast, being the most exposed to storms and thronged with the greatest amount of commerce, of course has the largest number of stations.

The New Jersey coast, lying so near the great harbor of New York Bay, into which comes the great bulk of the commerce of the nation and down which passes almost the whole of the Atlantic coast trade, needs, with its low-lying shores and outlying shoals, a large number of these stations. Reliable statistics show that year by year there passes up and down that coast within sight of the shore an average of about twelve thousand vessels; and yet one gentleman has said in tones of surprise, almost indignation, that at some points these stations are within "7 miles of each other." Of course they are; they need to be.

A full patrol system has been established along that whole coast, and every night from September to May the whole beach is patrolled by the surfmen. These men live during these months at the stations on the beaches, the beaches being many of them cut off from the mainland through the winter by partly frozen sounds and thoroughfares. The men are separated from their families during this period. They must provide their own food and clothing, the Government furnishing shelter and fuel and one pair of blankets per man.

From dark to dawn, whatever the weather may be, they patrol the beach and as time afford they practice with the surf-boat and other appliances. Some of them have grown gray in the service, but the Government makes no provision for their retirement. The exposure is fearful and must affect in time the strongest frame, but no haven is provided for them when worn out in the service but the county almshouse. For this service these men are each paid a compensation about one-half the amount per day paid to one of the page boys of this House!

The efficiency of this service has been wonderful. During the year ending June 30, 1884, there were within the field of its operations 439 disasters to vessels, of which 64 were total wrecks. The number of persons involved was 4,432, of whom 4,412 were saved and 20 were lost. The total value of property involved was $10,607,940, of which $9,161, 354 was saved. Of these disasters there occurred in the fourth district (which comprises the New Jersey coast alone) 65, of which 13 were total wrecks, and involving 1,176 persons, of whom 1,163 were saved and 13 lost, and involving $3,168,695 of property, of which $2,-960,440 was saved and $208,255 was lost.

The total of disasters upon the Atlantic and Gulf coasts was 275 out of the 439 for the year, and it will be noticed that the number, 65, upon the Jersey coast is nearly one-fourth of the total for the whole Atlantic and Gulf coasts, showing the extent of the commerce passing that coast.

For the succeeding year ending June 30, 1885, as gathered from the statistics of the official report (not yet printed) the total of disasters to vessels was 371, of which 56 were total wrecks. These disasters involved 2,439 persons, of whom 2,428 were saved and 11 were lost, and property to the amount of $4,634,380, of which $3,379,583 was saved and $1,254,797 was lost.

The disasters upon the Atlantic and Gulf coasts were 225, of which 52 or nearly one-fourth occurred on the New Jersey coast. In these 52 disasters there was involved $996,800 of property, of which $552,030 was saved and $444,770 lost. The total number of persons involved was 441, and although of these 52 disasters 10 were total wrecks and the loss of property was so great, yet not one life was lost of the 441 involved.

But while no life of passenger or crew was lost, three of the brave surfmen of the Jersey coast went down to watery graves, February 11, 1886, while attempting to rescue the crew of the Austrian bark Kralz-

wika, wrecked on Barnegat Shoals. John J. Soper, Solomon Soper, and Samuel Perrine, of the life-saving crew, were drowned. They left behind them families with but little, if any, means of support. I immediately introduced a bill granting those families relief. The Committee on Commerce failing to report it, I have been before that committee urging its report. As yet the committee has failed to report. I must say I am not surprised. The little interest shown by a majority of the members in the matter convinced me then that it did not have their sympathy.

The objection is made to a civil pension-list. But while this service is not military, it has its hazards as well. The midnight patrol is as destructive to health as the midnight march or bivouac. The number employed is small, only aggregating about two thousand men.

Here is a table showing total casualties in the service:

List of persons who have died by reason of any wound or injury received or disease contracted in the line of duty in the Life-Saving Service since the origin of the service, so far as is known by the records of the office of the General Superintendent of the Life-Saving Service.

Date.	Name.	Grade.	Station.	District.	Nature of casualty, &c.
1876.					
Mar. 1	John R. Gale	Keeper	Whale's Head	Sixth	Drowned while attempting to rescue the crew of the wrecked Italian bark Nuova Ottavia off coast of North Carolina.
	Lemuel Griggs	Surfman	do	do	
	Lewis White	do	do	do	
	Malachi Brumsey	do	do	do	
	Spencer D. Grey	do	do	do	
	J. Munden	do	do	do	
	George W. Wilson	Volunteer	do	do	
1877.					
Jan. 5	John Parker	Surfman	Forked River	Fourth	Died on night patrol.
Mar. 30	H. H. Nickerson	do	Surfside	Second	Fell from aloft and instantly killed while assisting in saving property from Italian bark Papa Luigi C.
Nov. 25	J. J. Guthrie	Superintendent		Sixth	Drowned while attempting to go to the assistance of survivors of crew of United States steamer Huron.
1880.					
April 23	William J. Sayers	Surfman	Point aux Barques	Tenth	Perished in attempting to go to the assistance of distressed schooner J. H. Magruder on reef off Point aux Barques, Lake Huron.
	Robert Morrison	do	do	do	
	James Pottenger	do	do	do	
	Dennis Dugan	do	do	do	
	James Nantau	do	do	do	
	Walter Tetherbridge	do	do	do	
Oct. 20	Joseph Sawyer	Superintendent		do	Drowned off Rogers City, Mich., while making tour of stations in his district.
	George Feaben	Keeper	Hammond's Bay	do	Drowned off Rogers City, Mich., with Superintendent Sawyer, while transporting him from the Two-Heart River station, tenth district.
Nov. 30	David H. Atkins	do	Peaked Hill Bar	Second	Perished while attempting to take ashore crew of stranded sloop C. E. Trumbull.
	Elisha M. Taylor	Surfman	do	do	
	Stephen F. Mayo	do	do	do	
1881.					
May 15	David Hitchens	Keeper	Smith's Island	Fifth	Reported to have died from disease caused by cold and exposure while in the line of duty.
	George J. Warner	do	Watchapreague	do	Reported to have died from disease caused by cold and exposure while in the line of duty.
	Warner Collins	Surfman	Cobb's Island	do	Reported to have died from disease caused by cold and exposure while swimming to a boat during the gale and tidal wave of October 23, 1878.
1884.					
Jan. 11	George Markwick	do	Manistee	Eleventh	Reported to have died from disease contracted in the line of duty.
Feb. 14	Cornelius Maddock	do	Fairport	Ninth	Reported to have died from disease caused by cold and exposure while in the line of duty.
Feb. 27	Nathan Sampson	do	Manomet Point	Second	Reported to have died from disease caused by exposure while in the line of duty.
May 28	Isaac B. Carson	do	Ocean City	Fourth	Reported to have died from disease caused by cold and exposure while in the line of duty.
1884.					
Oct. 31	Charles J. Brandon	Keeper	Saluria	Eighth	Reported to have died from disease caused by exposure while in the line of duty.
1885.					
Sept. 22	William Jones	do	Racine	Eleventh	Drowned while at boat drill.
1886.					
Feb. 11	John I. Soper	Surfman	Barnegat	Fourth	Drowned while attempting to rescue the crew of the Austrian bark Kralzvika, wrecked on Barnegat Shoals.
	Solomon Soper	do	do	do	
	Samuel F. Perrine	do	do	do	
1884.					
Sept. 26*	William P. O'Neal	Ex-surfman	Chicamicomico	Sixth	Alleged to have died from an injury received in the line of duty.

*About.

In all probability not all of these thirty-four men left families behind them. But suppose they did, can not this great country, the commerce of which is benefited so much by this service, afford to make a slight recompense to the families of those who lose their lives in the service? From the organization of the service to June 30, 1885, the service saved 25,236 lives and $36,277,929 in value of property. In the light of these figures the objection becomes ridiculous. But if this Government is too economical to do justice to these men, a suggestion may be in order.

Several of the committees of this House, which have no business or next to none to come before them, are provided with clerks. Some of these clerks have nothing to do but draw their pay, frank the chairman's documents and speeches, and help him "mend his fences." Discharge some of these. True, it would disturb the "soft snaps" of some "political workers," but it would save enough cash to the Treasury to meet this new demand.

But, pleasantry aside, in the name of justice and of humanity, in the interests of the vast commerce of this great country, I demand of the national Congress that these noble saviors of life and property should henceforth as they go on their perilous mission go with the assurance that if in saving the lives of others they lose their own a grateful country will care for the widow and the orphan left behind. This may be denied now. Carelessness and callousness may defer the time. "Tehuantapec-ship railway," "Mississippi levee," and "refunded cotton taxes" may each thrust the arm to the elbow into the public Treasury unrebuked; but the time is not far distant when this Republic will recognize that her first duty is not toward the schemer and the plunderer, but to the men whose sole duty it is to save the lives and property of her citizens and to their orphaned families.

The Surplus in the Treasury.

SPEECH

OF

HON. BENTON McMILLIN,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, July 13, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt—

Mr. McMILLIN said:

Mr. CHAIRMAN: The bonded indebtedness of the United States is $1,210,637.612. Of this $144,046,000 is now due, subject to call, and has been for years, with not enough money to pay it off. Of the remainder $250,000,000 is payable in 1891, and $737,759,700 in 1907; the small balance, at a different time.

Almost all of this debt is owned by less than one hundred thousand people in the United States. Were it imposed pro rata the portion of indebtedness of each man, woman, and child of our 57,000,000 population would be $21. Shall they owe it forever, or shall the money now in the Treasury and hereafter to be brought there by taxation be used to pay it and stop interest? That, sir, is the question involved here.

Mr. Chairman, I shall not occupy the time of the House at great length in the consideration of the resolution now pending. To my mind it is of the utmost importance to the people of the United States. Believing as I do that contraction of currency and hoarding of large amounts of the public money are injurious to commerce and present strong temptations for injudicious and extravagant legislation, I favor the resolution which has been read.

The resolution which I introduced at an early day this session provided that there should be held for redemption purposes not more than $75,000,000 instead of one hundred millions. But the committee in its wisdom saw fit to fix the amount at one hundred millions. I believed then, and do yet, that seventy-five millions were ample for the purpose. In fact my judgment is that it would not be unsafe to operate with even a less reserve; but it is evident that the retention of a less sum than one hundred millions can not now be enacted into law, and I therefore support this proposition.

According to the best estimates that I can obtain, Mr. Chairman, as to the currency of the Government, there is on deposit in the Treasury of the United States, in the national banks, in savings-banks and other depositories throughout the country, $727,122,021.

Mr. HENDERSON, of Iowa. Belonging to whom?

Mr. McMILLIN. To the people. I speak of that which constitutes the currency of the people of the United States, their circulating medium. The entire circulating medium, according to the best statistics at hand, is $1,556,814,789, which leaves a total in actual circulation among the people, in addition to that which is deposited and to which I have alluded, of $829,792,777. Therefore the payment of the amount of money that is proposed by this resolution will have the effect, if it should all go into active circulation, to increase the circulation that is actually among the people, outside of the depositories named, nearly 10 per cent., or about one-sixteenth of all the coin and currency we have. As was stated by the gentleman from Illinois [Mr. MORRISON], it means the giving of employment to one hundred thousand workmen. It means, Mr. Chairman, not only that, but it means the subsistence of the five hundred thousand people who are always dependent upon one hundred thousand workers. I believe it means more activity in trade, less discontent with labor. I know it signifies the payment of less interest.

I have already given the condition of our bonds.

The gentleman from Illinois [Mr. MORRISON] has stated, Mr. Chairman, in so clear and succinct a way that I will not reiterate it here the amount of money held in the Treasury. The question has been propounded by a gentleman on the other side, "What has become of the $400,000,000 of surplus?" The truth now is, as the truth always was, that there was never $400,000,000 of surplus in the Treasury.

No man in his right frame of mind, so far as I know, has ever alleged that there was that much of reserve in addition to the amounts held subject to specific demand by the Government. There is that amount of cash there, but most of it is held for redemption of gold and silver certificates which have been issued on it, or other obligations recognized by law, which makes it impossible for us to appropriate it.

There is, first, all of the gold and silver which is represented by outstanding gold and silver certificates. There is, secondly, the subsidiary coin, amounting to more than $29,000,000. There is the fund held for the redemption of the national-bank notes where the banks issuing them have failed, or where banks are reducing their circulation. When you count the entire amount of money that is actually in the Treasury above the legal demands outstanding it figures up the sum of about $200,000,000, and of this more than $29,000,000 is subsidiary coin. So that if the resolution goes into effect there will be unavailable for payment on the debt $100,000,000, now as heretofore held for redemption purposes, twenty-nine millions of subsidiary coins that are not a legal tender for large debts but are legal tender in limited amounts, and other sums not necessary to be mentioned here. The amount, therefore, of money that can be paid under the resolution now will be, according to the last report of the Secretary of the Treasury, $76,044,000, which will leave us owing about $70,000,000, which has been due for years and which we can not yet pay for want of money.

But the immediate payment is not the only good that comes from the resolution; for it provides, Mr. Chairman, that when the amount of money in the Treasury in excess of these legal demands shall exceed $100,000,000 by $10,000,000, then it shall be the duty of the Secretary of the Treasury to make a call and pay the money upon the indebtedness of the United States. After all has been applied that can under this resolution and the existing condition of the Treasury be applied to the bonded indebtedness now due there will be the amount I have just indicated still subject to call.

What excuse is there for an intelligent and patriotic representative voting to pay interest on one hundred and forty-four millions in bonds when you have the money in the vaults to pay much of the principal? What excuse can we give to those who have placed such a high trust in our hands for a refusal to pay out the money, refusal to stop the payment of interest, refusal to let this money go forth into the channels of trade to quicken commerce? What is the situation to-day? I should not overstate it if I were to say that there are hundreds of thousands of men out of employment. The wheels of industry are clogged. The channels of commerce are stopped. Men are clamoring and striking for higher wages than their employers say they are able to pay. In such a situation shall we stand here idle and see $176,000,000 hoarded in the Treasury and refuse to pay out a dollar of it upon the bonded indebtedness of the Government? The gentleman from New York [Mr. HISCOCK] has said that this means repudiation. In what school of politics has he been taught? From what fountain of wisdom has he obtained that thought which leads him to conclude that the keeping of only $100,000,000 in the Treasury to redeem the greenbacks is repudiation?

Why, sir, how much of this greenback currency is presented for redemption annually? That becomes a legitimate question here. I have not had occasion this year to inquire into it, but I have in past years, and I have found that for the first one or two years after the redemption act went into effect there was presented in greenbacks to be redeemed by the Government only about $12,000. The amount presented has been merely nominal. So from that time to this we have held one hundred millions of gold in the Treasury, upon which we have paid from three to five million dollars of interest annually, for the simple purpose of redeeming a few thousand dollars a year of greenbacks when presented!

Where is there a private citizen who would be guilty of the folly of keeping a greater proportion than one hundred millions to keep up resumption of specie payments under such circumstances? Who is seeking, who is desiring, to exchange greenbacks for gold? But the gentleman from New York has seen another ghost; another trouble looms up before him. He says that this means to pay the bonds in silver. The resolution does not necessarily mean any such thing. But if it did, where does the gentleman find any law, on any statute-book, enacted under any administration, promulgated by any authority, which holds, or ever held, that those bonds were above silver payment? He says that the Secretary of the Treasury when seeking to place them issued announcements teeming with the statement that their payment would be in gold. The Secretary of the Treasury is an officer under the law. His *ipse dixit* outside of the law can not change the statute. But if it were as the gentleman from New York assumes, what hardship would come to the creditors of the United States?

Were not these very same bonds, many of them, sold for greenbacks that were not worth more than 50 cents on the dollar, and have not the holders of the bonds already received more in gold interest than the principal of the bonds? I am not giving this as a reason why we should pass a law providing for payment of the obligations of the Government in silver, but I cite it to show that no citizen has a right to complain against the silver currency. It was recognized by the Constitution and the laws as lawful currency when these bonds were issued. The people want nothing more and will have nothing less than the law of the contract. The gentleman from New York says that the silver dollar is worth only 75 cents in the dollar, when every member of this House daily uses it in all commercial transactions at a par with gold; and the gentleman from New York himself could not be induced to sell a thousand silver dollars, standard weight, at 99 cents on the dollar. I undertake to say that, taking the whole transactions of the people into consideration, there are a thousand transactions in which silver is used for payment where there is one in gold.

The gentleman from New York may as well not vex his pure spirit on the question. Neither the representations of the ex-Secretary of the Treasury, Mr. SHERMAN, the forebodings of the gentleman from New York, nor anything else can discount the silver dollar. When I consider the relentless war made on it I wonder not that it has met the disfavor of some, but that it has held its ground so well. It was stricken down once. It was demonetized through fraud; and the dastardly, treacherous author of that act has never yet been bold enough to raise his head and say, "I did it." Yet there was a power abroad that brought it back into circulation. It is here now. It is, as I have said, money of the Constitution. Gold also is money of the Constitution. They are together, and it ought to be the effort of every patriotic citizen to keep them together.

This House only a few days ago did a thing that will go very far to popularize silver by issuing silver certificates of one, two, and five dollar denominations. Whenever you allow representatives of it in small denominations to go among the people, then every dollar of silver can be represented in actual circulation. This the House has done, and I sincerely trust the Senate will concur in the House's action.

The gentleman complains that silver can not be kept in circulation. There has never yet been a currency that would keep itself in circulation. When this Government receives all kinds of currency in payment of its dues and only pays out one or two kinds, that which is discriminated against will inevitably go to the wall so far as actual circulation is concerned. It has been urged that the passage of a resolution of this kind and the payment of the bonded indebtedness of the United States would result in a contraction of the currency, because of the fact that the bonds now outstanding are held by national banks, which must close out when the bonds are redeemed. Let us examine that question for a moment.

It is true that of the one hundred and forty-four millions of bonds now outstanding subject to call one hundred and six millions are held

by national banks, and upon them currency to the extent of 90 per cent. on the dollar, or $95,400,000, is outstanding. But let us examine the operation of the law when this resolution goes into effect and the bonds are paid off. The money with which we seek to pay them is now out of circulation by being held in the vaults of the Treasury. When we pay it out it goes into circulation, instead of the national-bank currency which is now outstanding, and which would be withdrawn by the operation provided the banks did not buy other bonds to be used instead of those called.

Mr. PAYSON. And there is 10 per cent. more of it.

Mr. McMILLIN. As my friend from Illinois [Mr. PAYSON] very truly says, not only this amount but 10 per cent. more goes into circulation; in other words, where $100 is now in circulation there will be $110 when redemption has occurred. How, then, can redemption be injurious? It is true there might be a reduction in the circulating medium of the country to the extent of 90 per cent. on the $106,000,000; but the only difference possible will be that instead of being locked up in the Treasury the money now there will be in circulation among the people and may take the place of the banks' issues.

Mr. FELTON. Practically there will be 10 per cent. more in circulation.

Mr. McMILLIN. As I have just said, there will be practically 10 per cent. more in actual circulation after we redeem the bonds than there is now. Not only that, Mr. Chairman, but while the payment of the bonds could not in any event cause a withdrawal of more than $95,400,000 national-bank circulation, there would be put in circulation $144,000,000 from the Treasury by bond payment.

Mr. BRECKINRIDGE, of Kentucky. The gentleman will allow me to say that the national-bank notes now secured by the $106,000,000 of 3 per cents will not necessarily be withdrawn when those bonds are redeemed. The banks may put in place of the 3 per cents bonds of other denominations—4 per cents and 4½ per cents—so that there will only be a difference in the classes of bonds deposited to secure the circulation.

Mr. McMILLIN. I thank my friend from Kentucky for his suggestion; in the haste of argument I might have failed to comment on that fact so fully as I should. It is true, as the gentlemen says, that the redemption of these bonds does not necessarily force any bank out of existence, though it may force it to obtain other securities.

Mr. BRECKINRIDGE, of Arkansas. And if it does——

Mr. McMILLIN. And if it does there will be no contraction of the currency. The money now hoarded in the Treasury will be paid out and would take the place of any national-bank currency redeemed by the calling of the bonds on which it was based.

Mr. BRECKINRIDGE, of Arkansas. It is important in this connection that the basis of the circulation of the national banks should be stated. Omitting the odd figures, and omitting also some securities of small amounts, these banks have as the basis of their notes $106,000,000 of 3 per cents, $114,000,000 of 4 per cents, and $50,000,000 of 4½ per cents; so that they have now a smaller amount of 3 per cents than of other denominations.

Mr. McMILLIN. My friend from Arkansas is quite correct in that statement. A majority of the banks, counted by the basis of circulation, have now other securities than 3 per cents. But if all these bonds were out of the way I have abiding faith that the wisdom of Congress, the wisdom of those who are to come after us, will be sufficient to provide for every emergency. No calamity can possibly happen in this regard. None but a fool will deny that a people who bridged over greater difficulties than any before us now, when they numbered but thirty-five millions and were torn asunder politically, States seceding and a war raging, will, when united and cemented as brethren, knowing no North, no South, no East, and no West, have power and patriotism enough to provide whatever currency the commercial needs of the country may demand.

This resolution does not seek to interfere with a single vested right of any creditor of the United States. It does not seek to turn the people loose into wild-cat operations which shall impair public or private credit, but it does seek to pay out money which is now in the Treasury and the presence of which in circulation is the people's greatest present need.

But the gentleman from New York thinks that if we should reduce the amount in the Treasury there would probably be a run upon it. That does not necessarily follow. Suppose you have $25,000,000 in silver in addition to a gold reserve? Whenever any man or men may come proposing a run on the Treasury merely for the purpose of raiding it, let them be told to go and get their carts to carry away their silver, and they would soon be satisfied to demean themselves properly and treat their Government right. I would never discriminate against any citizen presenting a just demand. We have gold and silver as currency; and I would pay the citizen of the United States whatever might be most convenient to him, provided it did not injure the Government. I would recognize and discharge every legal obligation. But whenever any man or combination of men have so little patriotism as to be ready to "corner" the Government and put it in straitened circumstances, he or they should be thwarted by every fair and honorable means, even to loading down with silver. [Applause.]

Mr. Chairman, there are many things which might be said concerning the effect this resolution will have upon the commerce of the country. You may examine the history of this Government and you will find that the period in which manufactures flourished most, in which railroads were most extensively built, in which the people were freest from that contraction of the currency which is their financial destruction, was the period when we were paying off most of our public indebtedness. What will be the effect of this resolution upon the people? Its first effect will be to put into tangible and taxable investment property that is now held free from taxation and kept out of investments which pay anything to the laborer. It will result necessarily in a reduction of the rate of interest, than which no greater blessing, in my opinion, can come from it. Ricardo was certainly correct in his theory upon that subject. It may be that an effete and rotten monarchy needs a bonded indebtedness to keep it from going to pieces; it may be that where the people do not love the country as we do ours it is necessary to have a continuing, perpetual debt to keep the people from rising up and destroying their oppressors. But in a republic the time can never come when "a public debt is a public blessing." On the contrary, in a country like ours a public debt continued longer than is absolutely necessary becomes a public curse.

Sir, if there ever was a time when it was necessary to postpone the payment of the debt of the United States it was the period immediately succeeding the Revolutionary war. Three millions of people emerged from a bloody and devastating war of eight years; were prostrate and the country laid waste. Yet in his second annual message to Congress President Washington urged the payment of the debt in the following patriotic language:

> Allow me, moreover, to hope that it will be a favorite policy with you, not merely to secure a payment of the interest of the debt funded, but as far and as fast as the growing resources of the country will permit to exonerate it of the principal itself.

In the last annual message sent to Congress by him during his first term as President he urged debt-payment in these words:

> I entertain a strong hope that the state of the national finances is now sufficiently matured to enable you to enter upon a systematic and effectual arrangement for the regular redemption and discharge of the public debt, according to the right which has been reserved to the Government. No measure can be more desirable, whether viewed with an eye to its intrinsic importance or to the general sentiment and wish of the nation.

After his re-election his fifth annual message contains this:

> No pecuniary consideration is more urgent than the regular redemption and discharge of the public debt. On none can delay be more injurious, or an economy of time more valuable.

The danger to our Government from failures to extinguish the debt he predicts as follows in his sixth annual message:

> The time which has elapsed since the commencement of our fiscal measures has developed our pecuniary resources so as to open the way for a definite plan for the redemption of the public debt. It is believed that the result is such as to encourage Congress to consummate this work without delay. Nothing can more promote the permanent welfare of the nation, and nothing would be more grateful to our constituents. Indeed, whatever is unfinished of our system of public credit can not be benefited by procrastination; and, as far as may be practicable, we ought to place that credit on grounds which can not be disturbed, and to prevent that progressive accumulation of debt which must ultimately endanger all governments.

In the seventh he says:

> Whether measures may not be advisable to re-enforce the provision for the redemption of the public debt will naturally engage your examination. Congress have demonstrated their sense to be, and it were superfluous to repeat mine, that whatsoever will tend to accelerate the honorable extinction of our public debt accords as much with the true interests of our country as with the general sense of our constituents.

When the services of this incomparable patriot were drawing to a close he said in his eighth message:

> Posterity may have cause to regret if from any motive intervals of tranquillity are left unimproved for accelerating this valuable end.

When the elder Adams succeeded General Washington as President he took up the first President's refrain in his very first message to Congress in this language:

> The consequences arising from the continual accumulation of public debts in other countries ought to admonish us to be careful to prevent their growth in our own.

And during his four years' service as President I do not think he failed in a single annual message to urge the extinguishment of the debt.

Now, Mr. Chairman, let us see what were the views of the author of the Declaration of Independence on this important question. Surely, if any man knew and appreciated the nature of our Government, he did. He seems to have gathered much of the political wisdom of all ages and all climes. In one of his earliest messages he said:

> When effects so salutary result from the plans you have already sanctioned, when merely by avoiding false objects of expense we are able, without a direct tax, without internal taxes, and without borrowing, to make large and effectual payments toward the discharge of our public debt and the emancipation of our posterity from that moral canker, it is an encouragement, fellow-citizens, of the highest order, to proceed as we have begun in substituting economy for taxation, and in pursuing what is useful for a nation placed as we are, rather than what is practiced by others under different circumstances. In the mean time, by payments of the principal of our debt, we are liberating, annually, portions of the external taxes, and forming from them a growing fund still further to lessen the necessity of recurring to extraordinary resources.

When Mr. Madison came to the Presidency there was still a public debt. He congratulated the country toward the close of his administra-

tion upon its ability to continue to pay off the debt. The following is an extract from his eighth annual message:

In directing the legislative attention to the state of the finances, it is a subject of great gratification to find that even within the short period which has elapsed since the return of peace the revenue has far exceeded all the current demands upon the Treasury, and that, under any probable diminution of its future annual product which the vicissitudes of commerce may occasion, it will afford an ample fund for the effectual and early extinguishment of the public debt.

Nor was President Monroe less emphatic on this question. He uttered the following, in line with his predecessors, concerning it:

Estimating, then, the whole amount of the public debt at $79,000,000, and regarding the annual receipts and expenditures of the Government, a well-founded hope may be entertained that should no unexpected event occur the whole of the public debt may be discharged in the course of ten years.

Mr. Chairman, John Quincy Adams held similar views while President, as will be seen from the following extract from one of his messages:

The deep solicitude felt by our citizens of all classes throughout the Union for the total discharge of the public debt will apologize for the earnestness with which I deem it my duty to urge this topic upon the consideration of Congress; of recommending to them again the observance of the strictest economy in the public funds.

Sir, when General Jackson came to the chief magistracy he urged speedy payment of the debt and discussed the question with his usual vigor and boldness. He referred not alone to the effect upon the Government as a government, but commented upon the evil effect that the contrary policy, if adopted, would have on the people. In every message sent by him till the debt had been paid he implored his country's representatives to free themselves from the dangerous shackles of indebtedness. His first message contains this language:

The management of the public revenue—that searching operation of all governments—is among the most delicate and important trusts of ours; and it will, of course, demand no inconsiderable share of my official solicitude. Under every aspect in which it can be considered it would appear that advantage must result from the observance of a strict and faithful economy. This I shall aim at the more axiously, both because it will facilitate the extinguishment of the national debt, the unnecessary duration of which is incompatible with real independence, and because it will counteract that tendency to public and private profligacy which a profuse expenditure of money by the Government is but too apt to engender.

In his third message he held out the hope that his administration could pay the debt, adding in exultation:

We shall then exhibit the rare example of a great nation, abounding in all the means of happiness and security, altogether free from debt.

His fourth message, in 1832, contains this:

I can not too cordially congratulate Congress and my fellow-citizens on the near approach of that memorable and happy event, the extinction of the public debt of this great and free nation. Faithful to the wise and patriotic policy marked out by the Legislature of the country for this object, the present administration has devoted to it all the means which a flourishing commerce has supplied and a prudent economy preserved for the public Treasury. Within the four years for which the people have confided the executive power to my charge forty-eight millions of dollars will have been applied to the payment of the public debt.

The following message contained this language:

From this view of the state of the finances, and the public engagements yet to be fulfilled, you will perceive that, if Providence permits me to meet you at another session, I shall have the high gratification of announcing to you that the national debt is extinguished. I can not refrain from expressing the pleasure I feel at the near approach of that desirable event. The short period of time within which the public debt will have been discharged is strong evidence of the abundant resources of the country, and of the prudence and economy with which the Government has heretofore been administered. We have waged two wars since we became a nation with one of the most powerful kingdoms in the world; both of them undertaken in defense of our dearest rights—both successfully prosecuted and honorably terminated; and many of those who partook in the first struggle, as well as the second, will have lived to see the last item of the debt incurred in these necessary but expensive conflicts faithfully and honestly discharged.

Sir, what patriotic pride must have thrilled this soldier of the Revolution and hero of New Orleans to announce to Congress, in 1835:

Since my last annual communication all the remains of the public debt have been redeemed, or money has been placed in deposit for this purpose, whenever the creditors choose to receive it.

He had seen and been potent in two wars, the object of one of which was to give mankind liberty on the land, the other to maintain his freedom upon the seas. Having furled his country's flag with honor and been called to its highest civic trust, he could boast not only that independence was achieved and maintained but that this last dollar had been paid. He had fought the good fight, he had kept the faith! But he did not feel that his work was complete till he admonished his country against another evil, the very one we are to-day striving to prevent. This he did in his last annual message to Congress. He said:

The experience of other nations admonished us to hasten the extinguishment of the public debt; but it will be in vain that we have congratulated each other upon the disappearance of this evil if we do not guard against the equally great one of promoting the unnecessary accumulation of public revenue.

Did he, sir, or any of his predecessors regard a public debt as a blessing?

But, Mr. Chairman, Democracy furnished this country with another President who had occasion to speak on this question, for the Mexican war, carried on under Mr. Polk's administration, entailed a heavy debt upon the people. His first message contains this:

A few years ago our whole national debt, growing out of the Revolution and the war of 1812 with Great Britain, was extinguished, and we presented to the world the rare and noble spectacle of a great and growing people who had fully discharged every obligation. Since that time the existing debt has been contracted, and small as it is in comparison with the similar burdens of most other nations, it should be extinguished at the earliest practicable period. Should the state of the country permit, and especially if our foreign relations interpose no obstacles, it is contemplated to apply all the moneys in the Treasury as they accrue, beyond what is required for the appropriations by Congress, to its liquidation. I cherish the hope of soon being able to congratulate the country on its recovering once more the lofty position which it so recently occupied. Our country, which exhibits to the world the benefits of self-government in developing all the sources of national prosperity, owes to mankind the permanent example of a nation free from the blighting influence of a public debt.

In his message of 1848 Mr. Polk said:

A public debt of more than $120,000,000 existed, and it is not to be disguised that many of the authors of the new system did not regard its speedy payment as essential to the public prosperity, but looked upon its continuance as no national evil.

* * * * * * *

Though our debt, as compared with that of most other nations, is small, it is our true policy and in harmony with the genius of our institutions that we should present to the world the rare spectacle of a great republic, possessing vast resources and wealth, wholly exempt from public indebtedness. This would add still more to our strength and give to us a still more commanding position among the other nations of the earth.

It is thus seen, Mr. Chairman, that the fathers of the country, the founders of our Government, the makers of the Constitution, all urged the extinguishment of our national debts. No man who was contemporary with the Revolution and rose to the Presidency ever failed to raise his voice for their payment and against their perpetuation. With a loud unbroken voice they proclaim to us that our safety as a republic and our prosperity as a people lie in ridding ourselves of debt. But, sir, if they had not thus spoken, our reason would teach us that only evil could come from the perpetuation of burdens. So long as we have more than a thousand millions of dollars interest-bearing debt hanging over us we have an excuse for high taxes and complicated tax machinery.

When we propose to reduce the tariff and modify the law which on many articles puts five dollars into private pockets while it places one in the Treasury, we are told, "it can not be done because we owe an enormous debt." When we propose to modify internal-revenue laws and repeal the law which prevents the farmer from selling his tobacco except to a licensed dealer, we are told by some gentlemen that "we can not do it because we must have taxes to meet the national debt." And even to-day, when we are seeking to pay out the money in the Treasury on the bonds that have been due for six years and drawn interest all that time off a tax-ridden people, we are told "You can not safely do it because you will endanger resumption and precipitate a panic." Endanger resumption by making less the amount we owe? Precipitate a panic by putting more money in circulation? No, sir! You will never bring any financial calamity by reducing the amount of interest you have to pay or by putting more sound currency in circulation.

No wonder a new clamor has been raised in these latter days! No wonder some of the holders of untaxable bonds oppose their payment. It is no small thing to have all the blessings of free institutions showered upon us without having to pay the cost of them. But, Mr. Chairman, I am glad to know that many of the holders of the securities do not join in the demand for their perpetuation, but share in the common desire of other good citizens to have the debt paid whenever it is best for it to be.

Sir, there is another reason for the early payment of our bonds. I take it to be a sound principle that the burdens of government should rest equally on all classes. This salutary and fundamental principle of republican government is wholly disregarded in the issuance of our present form of bonds. They are freed from all taxation. The fortunate holders of the twelve hundred and forty-odd millions of Government bonds never see a tax-gatherer. They never contribute upon them one dollar of taxes to support either the Government, State, county, or city in which they live, nor even to the public schools, the proper support of which all favor.

Rapid payment undoubtedly has the tendency, by turning loose locked-up capital, to build railroads, open mines, construct furnaces, build factories, raise the price of farm lands, give thrift to agriculture, and give life and vigor to every trade and every branch of industry. It is true that it lowers the rate of interest, the price of money. That is the only thing it does reduce. But that of itself will benefit the masses by the facility it will afford counties, municipalities, companies, and individuals to fund or renew at a lower rate of interest the matured debts which they are not able to pay.

The debt of the people of the United States—States, counties, cities, and national is as follows:

Aggregate debt of States and Territories	$234,436,261
Net county debts	123,877,686
Net municipal debts	698,270,199
Total indebtedness, according to the census of 1880	1,056,584,146
Debt of the Government of the United States:	
Interest-bearing	1,210,637,612
Non-interest-bearing	536,103,148
Grand total	2,803,324,906

Mr. Chairman, many of our cities are loaded with debts, almost to bankruptcy. Baltimore owes twenty-eight millions; Boston, twenty-three millions; Brooklyn, thirty-seven millions; Cincinnati, twenty

millions; Philadelphia, forty millions; Saint Louis, twenty-one millions; Washington, twenty-one millions; and New York, ninety-six millions.

The mortgage debts of the railroads of the United States are $3,750,000,000, making a total indebtedness of Government, States, counties, cities, and railroads of $6,553,324,906.

There is no means of ascertaining the aggregate of individual debts of our people. But it is known to be enormous. My distinguished friend, General WARNER, of Ohio, who has given this subject much careful thought, in a speech made by him on the silver question in this Hall a few months ago, estimated the tenant farmers of the United States at 4,686,187, as will be seen from the following extract:

We have no statistics in the United States by which to compute the total mortgage indebtedness. In 1880 the census showed 4,686,187 tenant farmers, and a writer in the January North American says "it is a very-rare thing in the newer States to come across a farmer who has not a mortgage, or bill of some kind, coming due on his land." But if the mortgage indebtedness reaches no more per capita here than in England it would amount to $8,200,000,000, which would be 41 per cent. of the true estimated value of all the real estate in 1880. This is about the same as the per capita of the mortgage indebtedness of Europe, and is doubtless a low estimate for this country.

He also adds this noteworthy fact:

In the United States, banks, trust, and insurance companies hold $550,000,000 of the national debt; 10,000 persons hold $500,000,000 more, and less than 100,000 out of a population of 57,000,000 own the entire debt. How municipal and mortgage debts are held statistics do not show.

Sir, is it possible that with all this indebtedness hanging over our people, most of it bearing interest, we will keep out of circulation money that would aid in its payment and prevent it from producing bankruptcy? How can we expect pardon from our constituents for the offense of hoarding money and forcing them to pay interest on the bonds that are past due? We have taken away from individuals, as well as the States, the right to issue currency. Having done this, they will heap execrations upon us if we lock up from them the only remaining currency they have.

Pensions.

SPEECH

OF

HON. JOSEPH G. CANNON,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Friday, July 30, 1886.

The House being in Committee of the Whole on the state of the Union, by special order, on private pension and removal of disabilities bills—

Mr. CANNON said:

Mr. CHAIRMAN: I do not know that I shall want so much time as the gentleman has given me. I am not going to weary the committee. I would not say a word if it were not patent that there can be no legislation to-night.

Mr. WALLACE. I make the point that there is no quorum in this House, and that without a quorum it is not in order under the rules to proceed further.

The CHAIRMAN. Unanimous consent was given to the gentleman from Massachusetts, and he has an hour. He has yielded for ten minutes to the gentleman from Illinois.

Mr. WALLACE. Unanimous consent was given to the gentleman from Massachusetts to explain this case. Unanimous consent was not granted that he should yield the floor to others for the purpose of general debate.

Mr. CANNON. You can not take the gentleman from Massachusetts off the floor, although the gentleman from Louisiana may succeed in obstructing legislation.

Now, Mr. Chairman, I asked a question of the gentleman from Ohio [Mr. WARNER], which he took some fifteen or twenty minutes to answer. I wish to say a word about his answer. The law, of course, must be enacted under the Constitution by the House and Senate, subject to the approval of the President. There is no law touching pensions or anything else which in its general operation does not work hardship in individual cases, and from the foundation of the Government to the present time it has been the duty of Congress, when in session, monthly, weekly, and I might say almost daily, to grant relief against the operation of general laws in their application in special cases.

The gentleman from Ohio asks for all these bills——

Mr. HERBERT. Will the gentleman allow me to ask him a question?

Mr. CANNON. I will yield a little later on. The gentleman from Ohio asks how much time would it take this House to pass all these bills and how much time for the President to sign them, if he gave ten minutes to each, or to disapprove of them. Yet that is at best but an apology for refusal where we have a chance to do justice. The gentleman must recollect that no President, that no Congress, can deal in detail with all these matters.

Mr. WALLACE. That is what I say.

Mr. CANNON. The gentleman must recollect further if the President of the United States examined the bills we send him individually each session of Congress he could not approve one-tenth of them.

The gentleman knows——

Mr. WARNER, of Ohio. Other than private bills, you mean.

Mr. CANNON. No, sir; I mean public bills. The gentleman knows the practice that the President must necessarily employ, which is to take the bills that are passed to him by Congress, the bills that are prepared by forty or fifty committees here working week in and week out and month in and month out, and when they go to the President for his approval he says that he can not exhaust them, but under the practice he refers them to the different Departments, to the heads of the bureaus and the different divisions for examination, and they report them back to him, and upon these reports he acts. He could not proceed in any other way.

There is no other manner in which he could perform his duties except in that way. It is true that he might in an individual bill outline a policy or speak of general principles; so that there is nothing in that point which the gentleman makes. Why, Mr. Chairman, from the time of Moses, when he found in governing the children of Israel they brought too much work to bear upon him, acting under the advice of his father-in-law, Jethro, he made ordinances for their government and appointed judges over thousands, hundreds, and tens, reserving unto himself the power to determine the hard causes, to the present, all civilized people have followed the spirit of that precedent.

Mr. WARNER, of Ohio. Is not that what Congress should do now?

Mr. CANNON. Congress has passed general legislation, and I grant you it should pass additional general legislation, correcting some of the constructions given by the Commissioner of Pensions to the general pension laws. But Congress has not seen proper to do it.

It has refused both in the last Congress and in this. A bill passed the Senate of the United States that for months has lain without action on the part of the House, a bill that would take fifty to one hundred thousand of the soldiers of the late war that ought to be pensioned and put them on the roll notwithstanding the technicalities, and yet that bill, in the face of the difficulties the gentleman from Ohio points out as embarrassing Congress in its deliberations, has slept its last sleep, I fear the eternal sleep, so far as this Congress is concerned, from that time to now.

Mr. HERBERT. Why did not the Forty-seventh Congress pass some measure of that kind?

Mr. CANNON. The Forty-seventh Congress no longer exists; its acts have passed into history. You can not excuse action now or in the future by asking, Why did not some one in the past do better?

I say in default of that general legislation just such cases as this man's and others who have failed to get their pensions granted have been forced to come to Congress—men who in justice and equity should be entitled to relief, but have no other tribunal but Congress, and when they come here their cases are referred to a committee, which reports in favor of relief, and it is our duty to act upon them.

Why, gentlemen, cases entitled and not entitled to relief are acted upon all the time by Congress. At this session of Congress, without law, we making the law ourselves, being the great fountain of the law-making power of the Government, we granted to Mr. Wintersmith, the father of an ex-Doorkeeper of this House, $3,000, being a year's salary, on the motion of the gentleman from Kentucky [Mr. BRECKINRIDGE], the bill having been introduced in the first instance by the gentleman from Texas [Mr. REAGAN].

Mr. WARNER, of Ohio. Did the gentleman vote for that?

Mr. CANNON. No, sir, I did not. I am not aware that Mr. Wintersmith ever served his country in war, and how much he served it in peace I know not; but I recollect the speech of the gentleman from Kentucky when he presented that bill to the House. He said that Mr. Wintersmith was dead and his mother was dead and his brother was dead, and that it would be a graceful and magnanimous thing by way of condolence to make this appropriation to the father. Why was it done? Because the majority of Congress thought it a fit and proper thing to do. And so all along the line everywhere these bills come up and are acted upon. It is a matter of every-day occurrence.

Mr. WARNER, of Ohio. How many of the eight thousand bills has the House been able to consider?

Mr. CANNON. Why is it that a gentleman of so much ability as the gentleman from Ohio, a gentleman who was noted in war and noted also in peace, should rise in his place to-night and undertake to talk about this question in the manner he did, and say that because we have not the attributes of Divinity, and can not give even-handed justice to every man who served in the late war, therefore we will not give justice to any?

Mr. WARNER, of Ohio. That is not the position I took, but on the contrary, that we ought to have a better means of doing justice to all; and I think we can have a better means.

Mr. CANNON. And I stand with you and agree to help you for a

better means, notwithstanding the fact that I stand with a minority of forty and you stand with a majority of forty. But, Mr. Chairman, the legislation has already been passed by the Senate and you have refused to consider it; and in the absence of consideration of general legislation this and other cases like it on Friday nights should be favorably considered and passed. True, others are equally deserving, but if we can not consider all of the cases, none of those who do not receive it will complain, because we give relief so far as we can.

Now, one word further addressed to the gentleman from Louisiana [Mr. WALLACE]. He says these proceedings are ridiculous; that they are not parliamentary. Why, does the gentleman know that nine-tenths of our legislation is in fact done without a quorum; that a quorum in nine-tenths of the business transacted is not demanded? I ask the gentleman from Massachusetts to give me two or three minutes more.

Mr. RICE. I yield to the gentleman three minutes more.

Mr. CANNON. Does the gentleman from Louisiana know that in the mother country, with a house of commons that is substantially supreme, of over six hundred members, forty members constitute a quorum, and from year to year make provision for the service of that country, reaching out as it does everywhere about the world?

Does not the gentleman also know that, practically, less than forty men in this House from time to time control over nine-tenths of all the legislation enacted? Not the same forty, I grant you, all the time, because gentlemen are divided into committees. Some are on one committee and some on another, and each committee prepares business referred to it, and in the main we all trust the committees from necessity, not only in individual pension bills but in nearly all other matters. There is, therefore, nothing in that point as made by the gentleman from Louisiana [Mr. WALLACE].

I will say to the gentleman from Louisiana you can not convince the people in the North, who carried on the war and whose soldiers fought its battles at $12 and $14 a month that your objections are well founded or that you understand their necessities or that you are correctly extending that even-handed justice that should be given to them on account of the disabilities they incurred that this Government might live. [Applause.]

The Treasury Surplus.

SPEECH
OF
HON. PRESTON B. PLUMB,
OF KANSAS,
IN THE SENATE OF THE UNITED STATES,
Thursday, July 29, 1886.

The Senate, as in Committee of the Whole, having under consideration the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt—

Mr. PLUMB said:

Mr. PRESIDENT: I would have been glad before taking any part myself in the debate to ascertain precisely what the objection was to this resolution as it came from the House.

One of the members from New York [Mr. HEWITT] who led the opposition to this measure in the other body did so upon the ground that the reserve which the resolution proposes to leave in the Treasury is insufficient for the purpose of the redemption of the outstanding legal-tender notes. In the course of his remarks he said:

Now remember this is fair weather. I do not hesitate to say that in a stormy time $140,000,000 or $150,000,000 is not a sufficient sum of itself to insure convertibility into gold for both the national-bank notes and the greenbacks. But in fair weather it is abundant. The effect of this resolution will be to bring on foul weather—a storm. Instead of being stronger we are weaker; instead of having furled our sails in advance they are all spread to the wind, and the ship, rolling and tossing, will finally go down under the overpowering volume—I was going to say of wind, but currency when inflated and wind are synonymous terms, and therefore I will say of currency which will be poured in for redemption.

That is intelligible. It is the theory of those who favor a gold standard and of those who desire to have the greenback notes retired. We heard the same thing from representatives of the same class on this floor when the act of 1882 was being considered. It has been the burden of the song of the Treasury since that time. But when the Senator from Iowa comes to announce his position on this resolution, as the organ of the Finance Committee of the Senate, he says he is opposed to it in the shape it passed the House because it does not leave any money to pay current obligations. Inferentially I think he stated that $100,000,000 was an overplus rather than an amount too small for the redemption of legal-tender notes. He complained rather that this resolution, according to the construction which he put upon it, required $100,000,000 to be kept exclusively for the purpose of redeeming legal-tender notes, and that was a ground of complaint. So I take it that he thinks $100,000,000 is too much. I should be glad to get the opponents of this resolution together upon some one point if I could, in order that we might not be confused in this debate by attacks from two widely different and wholly irreconcilable standpoints.

Mr. ALLISON. I do not want to disturb the Senator, but I wish to say that inasmuch as this $100,000,000 was irrevocably fixed by the resolution as it came from the other House, I did not propose to debate that question pro or con. I quite agree with the Senator.

Mr. PLUMB. I think the Senator, by the statement he has made, agrees that $100,000,000 of reserve is too much.

Mr. GEORGE. Will the Senator from Kansas allow me to ask the Senator from Iowa what he meant by the expression he used?

Mr. ALLISON. I will.

Mr. GEORGE. What did he mean by $100,000,000 being irrevocably fixed—fixed for what?

Mr. ALLISON. Fixed for the purpose of redeeming United States notes, and nothing else. That is the resolution.

Mr. GEORGE. That is an interpretation of the meaning of the resolution.

Mr. ALLISON. It is not any interpretation. It is the resolution.

Mr. PLUMB. I take issue with the Senator on that, and that was the point to which I was just coming. The language of the resolution is:

That whenever the surplus or balance in the Treasury—

What is that surplus? What is that balance? The resolution goes on to characterize it—

including the amount held for redemption of United States notes—

That is to say, whatever balance there may be, including those moneys which may be held for the redemption of United States notes; and the use of that word "including" distinctly shows that the framer of the resolution had in mind that there were other sums than the revenue for United States notes which would go to make up this $100,000,000 to be held as the surplus or balance in the Treasury; otherwise the word "including" is absolutely irrelevant and misleading. But the Senator from Iowa coupled that with the last sentence of the last clause of the resolution—

the surplus or balance herein referred to shall be the available surplus, ascertained according to the form of statement of the United States Treasurer, of the assets and liabilities of the Treasury of the United States employed on June 30, 1886.

If there had not been thrown on that sentence the calcium light of the construction of the Senator from Iowa, I should have said that meant simply the funds held in the Treasury over and above what was necessary to meet the liabilities, accrued and accruing; that is to say, that which the Government may be called on to pay—the available surplus ascertained according to the form of statement. Now, that form of statement is not private.

Mr. CHACE. Will the Senator allow me a question right there?

Mr. PLUMB. Yes.

Mr. CHACE. Is not the Government called upon to pay the whole of the United States notes?

Mr. PLUMB. When they are presented.

Mr. CHACE. They are liable to be presented, and you have $346,000,000 to meet in that case.

Mr. PLUMB. Not at all. The statement handed me by the Senator from Iowa is only one of the Treasury statements. There is another statement bearing the same date in which is shown the amount which is available for the payment of the public debt.

Mr. ALDRICH. That is the statement of liabilities and assets.

Mr. PLUMB. Very well. One of the statements of the Treasury of this date shows according to the estimate of the Treasurer the amount of money that is available for the purpose of the payment of the public debt. The statement of indebtedness and the statement of assets which may be used in the discharge of that indebtedness is the statement in so many words of the sum which is available for the purpose of paying the public debt and that is stated at about $76,000,000.

The amount as shown here under the head of cash in the Treasury available for reduction of the public debt is $205,202,147.75, and among the items which are held as unavailable for reduction are fractional silver coin, minor coins, &c., amounting to $29,000,000; and the net cash balance in hand under that statement is $75,191,109.95.

The utmost that can be made out of that construction is that the amount available for the purposes of this resolution are that this sum of $75,191,109.95 plus such amounts as may hereafter come into the Treasury, and which may and do actually go into the same fund, are according to the Treasury idea available for the reduction of the national debt.

But the criticism on the form of this resolution on that subject would have come from some other source very much better than from the Senator from Iowa who reports an amendment to the resolution, but forgetting to amend it in this particular in which he says it ought to be amended. If the construction of it is as vicious as he says, if it does incorporate a statement by reference into the body of the law which commits us to no payment at all on the public debt, what shall be said of the discharge of duty on the part of the committee which reports a resolution in this precise state and does not qualify it by any apt and proper words in the amendment which they report? The Finance Committee is here in the attitude of reporting a resolution which they say

adopts the views and incorporates the report of the Treasurer of the United States with the effect to prevent any payment of the public debt whatever, and thus defeat wholly the purpose of the resolution.

I should be glad to have had the ingenuity of the Finance Committee exercised on that point—upon the point of the remedy of that which they claim now to be a fundamental defect in the structure of the original resolution as it came from the House of Representatives—instead of contributing still further to render it abortive by putting on an affirmative declaration to the effect that if the Treasurer of the United States continues to believe as he believes now, as shown by this statement, he shall go on accumulating the money of the people and allowing the national debt to remain unpaid.

Mr. President, for either one of the theories which have been broached in opposition to this resolution as it came from the House its terms in my judgment are ample.

I believe that $100,000,000 is more money than is necessary to be kept in the Treasury of the United States for the redemption of the legal-tender notes. I do not believe that there is any contingency that can be imagined to exist in which that $100,000,000, or any considerable portion of it, will be drawn for the purpose of redeeming United States notes—and why? More than once within the last two or three years greenback notes have been at a premium in New York city simply because they were not in ample supply and because of their very much greater convenience compared with gold or silver for the purpose of the transaction of business in that great metropolis.

One hundred million dollars is fully 33⅓ per cent. of the outstanding volume of that currency. The amount as fixed by the resolution in 1879 is a little less than $347,000,000. The original greenback notes were provided for by the act of July 11, 1862, and therefore twenty-four years since the first issue. The original volume was $400,000,000. The present volume, $346,000,000, includes what is remaining also of the old demand notes issued in 1861, of which there were $50,000,000; and so that original volume of this class of currency, the demand notes and the legal-tender notes, of which there are nominally outstanding $346,000,000 to-day, was $450,000,000. Of course it can not be reduced to an exact mathematical proposition what amount has been lost meanwhile; but will any one say that the loss of one-half of 1 per cent. per annum is too much? Consider the casualties by flood, by fire, which here and there and everywhere occur, in which some portion of this volume of money is destroyed; consider the great fires in Boston and Chicago; consider the inevitable losses which must have occurred on account of the destruction of notes paid to the soldiers in the field. It seems wholly reasonable that from all these sources there must have been a loss, an absolute destruction equal to at least one-half of 1 per cent. per annum.

Upon this basis the amount now outstanding is less than $300,000,000. The Treasury had on hand, according to its last statement, $22,000,000 of these. There is a large portion inevitably held as a reserve for national banks, and which practically therefore is withdrawn from circulation and withdrawn from any possible opportunity or inducement for any one to make use of it or to exchange it for other currency. There never can be under any circumstances over $200,000,000 of this greenback money in actual circulation.

Mr. MAXEY. I should like to make a suggestion to the Senator from Kansas.

Mr. PLUMB. I yield.

Mr. MAXEY. The Senator from Iowa states that there is no law now which absolutely requires $100,000,000 to be kept in reserve, but that it is intimated in the law that that amount should be kept in reserve by the expression that the amount shall not be reduced to less than $100,000,000. We resumed specie payments on January 1, 1879. That was after a period of twenty years during which gold and silver were not in circulation at all except in special localities; and yet notwithstanding that fact there have been presented for redemption but $22,000,000 from 1879 up to this present good hour.

Mr. PLUMB. I am coming to that in a moment. I hope the Senator will not anticipate me.

Mr. MAXEY. Is not that proof conclusive that this amount itself is largely in excess of any necessity?

Mr. PLUMB. I should think it conclusive if there were not even stronger facts that negative the idea that there can be any great presentation of greenback notes for redemption. Under the laws organizing national banks the banks in redemption cities are required to hold 25 per cent. of their liabilities in their vaults. Among the country banks that amount is only 15 per cent. The actual business experience of the country ever since the organization of the national banks shows that these amounts are sufficient for all practical purposes.

I know it will be said that the Government ought not to run the risk which bankers are willing to run in regard to the question of reserve. But look at the difference between the liability of a bank to be called upon to pay out its deposits and that of the Government on account of the legal-tender notes. When a man has a check his first thought is to collect it because it does not perform except in a very limited degree the office of money, and in the next place under the law he is required to exercise diligence in presenting it. If he holds it in his pocket an unnecessary hour, or if he sends it by other than the usual and direct way to the point where it is to be collected and the bank meanwhile has failed, he suffers the loss. He is also responsible for the insolvency of the drawer. It is not adapted in amount or otherwise to perform the office of money, and consequently rarely passes through more than the hands of one person, except as it does so in going the most direct and usual way to the bank on which it is drawn.

And yet with this necessity for the prompt collection of checks drawn against bank reserves the 25 per cent. in reserve in city banks and 15 per cent. in country banks has been ample to keep the solvency of the national banks intact. But when a man has a greenback note how different the case is. It will buy everything everywhere and in all sections of the country equally, and is for all practical purposes, whatever may be said about it, technically money, which will perform the highest office which can be performed by money anywhere. Among the least of its merits is that it can be exchanged for gold or silver at at the Treasury Department, but this the holder does not want, for the greenback is more valuable for use as money than gold.

I once heard a bank president in New York describe in graphic language the great risk that his bank incurred in transferring $800,000 of gold from the New York clearing-house to his bank, a few blocks further up Broadway. It not only had to be transported in a wagon, but the wagon was surrounded by police armed with revolvers drawn. If it had been $800,000 in legal-tender notes it would have gone in a carpet-sack in the hands of the teller of the bank with just as much safety as the gold went under charge of an armed detachment of police.

The day for the use, for the actual and manual delivery of gold and silver as money in this country, has gone by except in a very limited degree. Nobody wants the cumbrous and inconvenient metals. So the greenbacks are not presented at the Treasury for redemption in coin. As the Senator from Texas says, the entire amount presented from 1879 down to date is only about $22,000,000. Who is going to present them for redemption in the future? Will it be the constituents of my friend from Iowa? Will any of the constituents of my friend from Louisiana be found at the Treasury door with greenbacks for which they will demand gold?

Mr. President, the danger, if there be danger at all, of a run upon the Treasury comes from two or three places only in all this broad land, and principally from one. We know that the farmer, that the merchant, the manufacturer, the presidents and other officers of railway companies, none of these men will present a dollar in greenbacks for redemption, because they want the greenback as a more useful medium of exchange than gold can possibly be.

The only source from which danger is ever threatened is Wall street and the corresponding influence in a few large cities which it represents and controls. This interest is that of speculation pure and simple. It represents none of the productive interests of the country, and lives by the spoil it is enabled to levy upon the labor of farm, shop, and field. From this source and this only is danger threatened. And yet the Treasury Department, influenced by Wall street, is strenuously objecting to the passage of the resolution as it came from the House, because of the danger that this same Wall street will, some of these days, make a run on the Treasury, depleting it of its gold.

Wall street, through its agent and ally, the Treasury Department, asking the Government to prepare against its own threatened assault upon the public credit! If Wall street could only control its own piratical tendencies there would be no danger.

This same interest, combined with the national banks of the large cities, threatened Congress when, in 1879, it passed the bill to maintain the volume of greenbacks. They said that was continuing a vicious currency born of the war and that ought to have disappeared with the war; that so long as it remained there would be disturbance, disarrangement of values, and the only way in the world to have a good currency was to give it into the hands of the banks who were thereby to be enabled not only to issue the money of the country but to fix both its volume and its price. But Congress, disregarding the threat and the prophesied danger, passed the act providing that the volume of legal-tender notes should not be reduced; and I risk nothing in saying that the general judgment of the country is to the effect that the measure was wise and beneficial to the best interests of the country, and that the repeal of that law or the enactment of any other which would strike down the legal-tender note or deprive it of any of its functions as money would forever destroy the party which accomplished such a purpose.

Subsequently we were confronted with the maturity of the 5 and 6 per cent. bonds of the United States, and Congress undertook to provide for the issue of bonds bearing 3 per cent. interest, the proceeds of which should be used to take up the maturing ones, and a bill for this purpose passed both Houses. From the first moment that a 3 per cent. bond was proposed until the last act in the drama, the Wall street and banking influences of the country unanimously asserted that a bond bearing such rate of interest could not be sold at par and denounced its proposed issue as unwise and unjust, and when the bill was finally sent to President Hayes, these same people by their clamor and by threatening a panic, which they did their best to produce by reducing the national-bank circulation about $20,000,000, induced the President to veto the bill, and it did not become a law.

The excitement was very great and many and loud were the denunciations heaped on the heads of Congressmen from the West and South who supported the bill for their temerity in presuming to act in financial matters against the opinions of Eastern bankers and brokers. Eastern newspapers were filled with denunciation of Congress on the same account.

And so the bill failed, and financial circles quieted down, having manifested their power and had their own way. Then what happened? The very next session of Congress following the question naturally came up again. By this time new light had come to those who knew so much the year before, and the same bankers and brokers who had secured the veto of the 3 per cent. bond bill now changed front and begged Congress to do what it had before denounced—pass a bill providing for 3 per cent. bonds. A bill was reported from the Finance Committee for that purpose, the bonds to run thirty years, as was the case with the vetoed bill. But Congress had learned something too, and the bill was amended so as to make the bonds due at the option of the Government; and because of that wise provision more than two hundred millions of the bonds have already been paid, instead of leaving them as a legacy to the next generation, as would have been the case if the original bill had passed. So the bankers and brokers builded better than they knew. A 3 per cent. thirty-year bond was not good enough for them, and having beaten that they were glad to get a bond bearing the same rate of interest due at the option of the Government. No one, except those who believed a national debt to be a national blessing, and who think the national debt ought to be perpetual in order to furnish a basis for corporate issues of money, doubts that Congress acted wisely in legislating as it did on the question of refunding the debt. Great good and no harm has come from it.

So when it was proposed to remonetize silver, that was to be the beginning of unnumbered woes to all the business interests of this great country. Gold was going to leave the country; it would be at once at a large premium, and the country would be brought to a silver basis. But all this proved a mistake. Gold is not at a premium, is still money and not merchandise, and instead of leaving the country our stock of it has constantly increased until we have more than ever before and more than any European nation.

The croaking, however, still goes on. The New York banks draw notes payable in gold. The president of one of them said to a customer recently: "Some of these days, and very soon, gold will go up to 20 per cent. premium at a bound." "And then," said the customer, "all your discounts being payable in gold, you will collect the 20 per cent. premium from your debtors." "Yes," was the reply, "but that is not our fault; we must protect ourselves."

To this the customer replied that "less than 20 per cent. stands between the business community and bankruptcy. You add 20 per cent. to the value of the discounts of your bank by adding that much to what their makers have to pay, and you raise them and thereby prevent their paying; and in the attempt to collect the additional 20 per cent. you will lose more than enough of the principal to make up your gain in the premium you will get by exacting gold payments. You and other bankers of all other men in the world are interested that such a contingency as the sudden inflation in value of debts shall not overtake the business world."

There are men who profit by the misfortunes which overtake their fellows; there are men to whom the plunging of the great mass of the people into a great gulf of financial despair and wretchedness would bring wealth; but it is not the man who has got his means in the active current of business; it is not the man who has to depend upon the collection of debts from individuals. What he would gain in one direction he would lose in another. Such men are really interested in maintaining financial solvency rather than bringing about a wreck of it, but they have so long followed the echoes of London opinion that they permit themselves to declaim against their own best interests; in fact, however, they instinctively oppose whatever a majority of Congress favors and without even seriously considering it.

So, as I said, these men deal with panics and talk about them glibly as a means whereby public opinion may go their way and Congressmen yield to do their bidding.

Mr. GEORGE. I desire to ask the Senator from Kansas if he agrees with the Senator from Iowa that the resolution as it now stands requires $100,000,000 in gold to be kept in the Treasury in coin as the basis of redemption of the greenback notes?

Mr. PLUMB. No. I will read the only provision on that subject contained in the law. It is section 12 of chapter 290 of the act of 1882. The main purpose of the section was to authorize the Secretary of the Treasury to issue gold certificates, certificates based on the deposit of gold, and of course the holder of these certificates was entitled to call at any time for the gold which he had deposited. It was his gold. The Government simply was the trustee, the naked trustee without value or without interest; and the proviso to that section is:

Provided, That the Secretary of the Treasury shall suspend the issue of such gold certificates whenever the amount of gold coin and gold bullion in the Treasury reserved for the redemption of United States notes falls below $100,000,000.

The force of this provision is simply that the process of depleting the Treasury of gold by the means of these certificates might be arrested by the Secretary of the Treasury interposing to suspend the execution of the law whenever the gold reserve ran below $100,000,000. There is no setting apart of any fund whatever. The provision is merely negative so far as the reserve is concerned.

Mr. ALLISON. I called attention to the act of 1875, authorizing the Secretary of the Treasury to sell bonds for coin for this purpose, and in pursuance of that requirement he sold $95,500,000; and in my judgment I said he could use that fund for no other purpose than the purpose indicated in the law of 1875.

Mr. GEORGE. How much is that—$95,000,000?

Mr. ALLISON. By the law of 1875 authority was given to the Secretary of the Treasury to purchase coin with bonds for the purpose of redeeming United States notes. In the execution of that authority he did purchase $95,500,000 of coin and put it in the Treasury. So I stated that that money was there for the purpose of redeeming United States notes and only for that purpose by the law.

Mr. PLUMB. The Secretary of the Treasury might have stopped at $50,000,000; he might have gone on selling bonds until he had $500,000,000 if he chose so to do. It was a matter left entirely to his discretion. Whatever he thought was necessary in view of the command of the law that the Treasury resume specie payments, he was armed with all the power that was necessary for that purpose, and he was authorized to issue bonds *ad libitum* according to the provisions of the act of June 14, 1870. That is to say, by the resumption act, the whole power of the act of June 14, 1870, in regard to bonds, was deposited with him for the purpose of providing coin for the redemption of United States notes, and that power is just as strong and intact to-day as it was in the beginning. In other words, he has power to issue $1,000,000, $10,000,000, $100,000,000, a thousand millions, in bonds drawing 4½, 5, or 6 per cent. interest, at his election, for the purpose of supplying coin to meet the needs of the Treasury for the redemption of the legal-tender notes outstanding, and that power is there to-day.

Mr. President, for these reasons I do not believe that there is any risk to the Treasury whatever in reducing this fund to $100,000,000. On the contrary, I believe $50,000,000 is just as useful as $100,000,000, and if I could myself impress my views on legislation to that extent I would cheerfully take the risk, whatever it might be, of fixing that fund at $50,000,000, and no more.

Now, in regard to the current expenses. Under the law as it now is bonds can not be called except on thirty days' notice, and the resolution as it came from the House does not change the law in that respect. Therefore, after the Treasury has got its $110,000,000 extra it still must give thirty days' notice, and it has that time in which to accumulate other sums of money for all the Treasury purposes; but, as the Senator from Kentucky said, we are receiving from the revenues more than $25,000,000 a month. That is not subject to any practical contingency. It does not have to be collected by suit. Just as certain as that the sun rises in the morning and goes down in the evening that money is bound to come into the Treasury. The amount is variable, it is true, but variable within small limits, and always, excepting in cases where we have reduced taxes, the amount increasing rather than diminishing.

The Commissioner of Internal Revenue congratulates himself and the country on the fact that the collections from internal-revenue sources during the last year were $14,000,000 more than the year before. So during this present fiscal year we shall collect, unless all signs fail, $350,000,000 from the various sources of revenue. Against that there is a gross outside annual expense of less than $240,000,000. There is $90,000,000 at the very inside which can be taken for any purpose for which Congress may seek to use it without in any way diminishing the ability of the Government to pay its current expenses. The resolution provides only that not less than $10,000,000 of bonds shall be called in any one month. My friend from Rhode Island is too fresh from his laudation of the Treasury Department for its extreme conservatism to be ready to suggest here that the Secretary will go beyond what the law absolutely requires him to do in this regard. And it is safe to say the Secretary will not call more than $10,000,000 per month unless the surplus increases very greatly.

So, Mr. President, if $10,000,000 is called next month and each succeeding month it will be accompanied by an addition of almost as much money to the Treasury from the revenues unless all the signs fail. Suppose in place of being $90,000,000 the surplus for this fiscal year is only $50,000,000. What is on hand now is, according to the Treasury statement, $75,000,000. It is more than that. There is $11,000,000 in addition which, according to the Treasury statement quoted in this resolution, is interest accrued, an item which never appeared in the statement until the incoming of this administration. It is interest which has accrued but which is not due. In other words, the actuaries of the Treasury Department compute each day the interest that has accumulated on the outstanding debt and carry it out in the statement as an obligation, although it is not due until the end of the quarter.

There is to-day, according to that statement of the Treasury, nearly $100,000,000 over and above $100,000,000 held for the redemption of United States notes, which ought to be taken out and paid on the public debt. Now add even the admitted $75,000,000 surplus at present to a minimum of $50,000,000 to be derived this fiscal year in excess of

expenditures, and we have a total of $125,000,000 which can be paid on the debt during the year, while the resolution is compulsory only to the extent of the payment of $120,000,000. What does that lack of being a safe proposition? Is there any possibility that the Treasury will be lacking in funds for current expenses? Is it no light matter to put $120,000,000 rather than to keep it locked up in the Treasury? Is it nothing that over $3,000,000 per annum interest will be saved to the people?

The Secretary of the Treasury, Mr. Folger, who came in with the administration of Mr. Arthur, was not accused of lacking in wisdom and common sense. He sums up that question in his report for 1883 in these words:

> The public sense is shrewd enough to see that a debtor owing a large sum upon interest which he must pay at short intervals, and some of the principal of which he may pay off whenever he pleases, and thus save interest, would not be deemed a good manager of affairs if he should give away or loan on terms yielding no income and not likely to insure punctual repayment the means which good luck or prudent conduct had put in his hands, and that it would be wiser for him, with the cash he had, to extinguish so much as he could of the debt against him.

He was discussing then primarily the proposition to lend the surplus money to the States—the United States. He goes on to say:

> And the United States has such means and owes such debts. It owes over a billion and a quarter of dollars, which is running upon interest. It has the option to pay over three hundred millions of the debt whenever it pleases. It must pay the interest on the principal unpaid at short intervals. It is not good sense, nor is it common prudence, to give away or loan its means, instead of using them to pay the debts against it, while, because of its abundant prosperity, it is easy to do so. There is neither direct nor consequential benefit to that body-politic, which is the United States, in the course that is proposed. A surplus is in hand. No way to use it so well, so directly and unerringly, as with it to pay off and take up that debt. It admits of no doubt that thus the people of the Union are well served and their money so paid as to redound to their lasting advantage.

That is axiomatic; it would seem not to be necessary to quote authority on a subject of that kind; but in view of the course of this debate it at least was not improper to refer to the opinion of that very eminent official. At that time there was less money in the Treasury than there is now. When this administration came in there was outstanding $1,260,772,612 of interest-bearing debt of the United States. On the 30th day of June, 1886, it had been reduced to $1,210,637,612, a net reduction of $50,135,000; but the cash in the Treasury had increased nearly $51,000,000 beyond the amount left by Mr. McCulloch, the last Secretary of the Treasury under President Arthur. I thought myself that Mr. McCulloch kept too much money on hand, and yet I could see how, like a tenant just going out of possession, he would desire to have it left in the best possible condition in order that the new occupant might not be embarrassed in any way.

After the present administration came in the country was regaled with monthly statements showing large reductions of the public debt, but it was soon noted that reducing the public debt meant, according to the Treasurer under its new management, the accumulation of a greater surplus; and that under this process the bonds were still outstanding, still drawing interest which was duly paid from the money collected by means of taxes levied upon the people. In other words, reducing the debt meant collecting money for that purpose and instead of paying the bonds putting the money in the Treasury and then deducting the liabilities from it. So the "debt, less cash in the Treasury," did grow less by just as much as the money collected and kept as a surplus increased; but no bonds were paid, and so the benefits were to the tax-paying public, and the circulation was being constantly contracted to the extent to which surplus funds accumulated. That eminent financier, Mr. Micawber, when he gave a note to his importunate creditor was wont to say, "Thank Heaven, one more debt is paid." The reduction of the national debt by the Democratic administration was akin to Mr. Micawber's payment of his debts.

It was not until a combination, a conjunction so to speak, of important circumstances occurred that that policy was changed. The one was the introduction of a resolution on the subject in the House of Representatives, the second was the speech of the Senator from Kentucky [Mr. BECK], and the third was the sinking fund. The time had come when, if the law was to be carried out at all, if its positive provisions were to be respected, the money had got to be taken out of the Treasury for the purchase of bonds for the sinking fund, and so it happened that after carrying on this policy of discharging the public debt by piling up the people's money in the Treasury from the 4th day of March to the 29th of December, 1885, a call—the first one—was issued for bonds. At that date there was a surplus in the Treasury outside the legal-tender redemption fund of over $80,000,000. Public opinion had become somewhat aroused and the administration found that there was something else besides contention for place which the people were interested in, and that one of them was the payment of the national debt out of the surplus funds in the Treasury.

Since the first bond call, brought about as I have stated, payments have been made with fair alacrity, though at least $75,000,000 more should have been paid.

Now, Mr. President, the people of the United States pay their money into the Treasury in the discharge of their legal obligations to the Government, but the Government does not thereby become the owner of that money. It is simply the trustee of it for the public use; money was made to be used, and it is a perversion of the high functions of administration for the Government to collect money from the people which it does not at the earliest and speediest possible moment pay out again in order that the people may have it for the uses for which it was created.

More than that, a great sum of money in the Treasury subject to the demands of Congress is a temptation to unwise legislation. There has been experience of it heretofore, and there will be abundance of it hereafter. The safest and the wisest thing is to put the cash in the Treasury down to as low a notch as possible consistent with safety, and thereby remove the temptation to extravagant appropriations which always exist where there is an overflowing Treasury.

When there is a surplus of money in the Treasury it is because the people who supply this money are being deprived of its use. Who is willing to commit to the Secretary of the Treasury the power to say what the volume of currency shall be, how much money the people shall have for use? Unfortunately Secretaries of the Treasury have been too much disciples of that school of finance which believes that the volume of currency is of little or no consequence so long as the banks are satisfied, that one dollar will perform as useful and proper and complete an office as a thousand. The people of the United States do not believe that. Whenever they have had the power to express their views they have said that they believed in an ample volume for the transaction of business. They know that among men of small means and in times of scarcity the chance for each one of them to have some portion of the money going is increased by as much as you increase the volume. Scarce money means cheap property. There is the $1,600,000,000 of gold and silver coin, and legal-tender and national-bank notes performing the uses of currency, outstanding.

The property values of the country amount to $50,000,000,000. To increase the value of the currency means to decrease the value of the property of the country in equal proportion. Dear money and cheap property mean the distress of the people. The resolution as it came from the House, while better than if amended as proposed by the Finance Committee, does not go far enough in the direction of requiring the payment of the public debt from the surplus funds in the Treasury. It is chiefly valuable because it denies the right of the fixed capital of the country to control the financial policy of the Government. It is as against its active industries, against its current business, against its flesh and blood. This it now does by its control of the Treasury Department, and this the resolution, asserting the power and duty of Congress, overturns, which is of more consequence than the putting in circulation of the Treasury surplus.

As I said, we shall have from ninety to one hundred millions this year beyond the current obligations of the Government if we are to judge the future by the past. The Treasury will pay, if left alone, only so much as is required by the operation of the sinking fund, which is only forty-six or forty-seven million dollars. Is it a question, I ask you, which should be settled by the discretion of one man? Is not the question of what shall be money and of its volume a legislative and not an administrative question?

I do not think that I am lacking in ordinary hopefulness. I know my disposition is to look at the bright side of everything. But unless something occurs totally out of the range of ordinary probability very soon the American people will feel the pressure of hard times grown harder. Neither will this condition of things prove temporary.

If the volume of the currency is diminished, and if thereby what remains is increased in price, not only is the value of the property of the country diminished in an equal percentage, but what is even worse, the value of the debts of the country, of the mortgages upon every home, and of the bonds of every city, every town, every township, every county, and of every railroad, amounting in the aggregate to more than $10,000,000,000, will be proportionately increased, and as their value increases the ability of the makers to pay will be equally diminished. Add 10 per cent. to that value and see what the difference is. It is the difference between individual and municipal bankruptcy and municipal solvency in many cases.

Apart from this, as I said a moment ago, is the question of the two contending forces, the fixed capital, the money of the country, against its production. It is the fight for gold against silver; it is the fight for gold against greenbacks; the gold that can be cornered, because it haunts the cities and is the money of the few, and can, therefore, easily be made both scarce and dear, against the silver and the greenback, which are dispersed throughout all the land, performing their offices, small individually but enormous in the aggregate and beyond the reach of combined capital to touch.

I am in favor, independent of all questions of the money in the Treasury, of telling the Secretary exactly what the Legislature means the policy of this country shall be upon this most important question. I am in favor of taking that discretion which he has now and which he insists we shall leave with him away from him, and let the people who elect their representatives to this body and to the House say what from time to time the interests of the country require.

Deficiency Appropriations.

SPEECH

OF

HON. LOUIS E. McCOMAS,

OF MARYLAND,

IN THE HOUSE OF REPRESENTATIVES,

Monday, August 2, 1886,

On the report of the conference committee on the disagreeing votes of the two Houses on amendments to the deficiency appropriation bill.

Mr. McCOMAS said:

Mr. SPEAKER: In the closing hours of this session I do not wish to make a speech, but I desire to make a brief review of the failure of "retrenchment and reform" under a Democratic President and House of Representatives.

Two months ago I reminded this House and the country that the estimated revenues for 1887 were $315,000,000, and the estimated postal revenues for 1887 were $47,542,252, making the total estimated revenues for 1887, $362,542,252. I then predicted that the total appropriations by this Congress for 1887, together with the permanent annual, would exceed $384,850,332.62. I therefore predicted a deficit of $22,000,000 between estimated revenues for 1887 and the actual appropriations for 1887.

The estimated revenues were the only official statement which no one could controvert.

But gentlemen on this floor promptly corrected my prediction that the permanent annual appropriations, as increased by the regular annual appropriations of this Congress, would exceed $384,850,332.62.

The Post of this city, the New York Star, the reputed organ of the administration, and other Democratic papers declared that I had overstated the amount at least one hundred and sixty-eight millions.

Somebody had made a gross blunder. I did not blunder.

I now reiterate my statement, that the total appropriations for 1887 will exceed $384,850,332.62. The table I append to my remarks shows that the regular annual appropriations which have passed both Houses for 1887 aggregate $264,783,579.59.

The total permanent annual appropriations, as reported by the Treasury for 1887, are $118,910,955; therefore the total actual appropriations for 1887 are $383,694,534.59. If the fortification bill had passed from one to six millions would have been added to this total. Thus my prediction has been verified. It was a remarkably accurate forecast of the anticipated extravagance of the party now in power. The permanent annual appropriations include the sinking fund, the interest on the public debt, and expenses of the customs service, which are regulated by permanent law.

It is the regular annual appropriations which indicate the increasing prodigality and the falling temperature of Democratic retrenchment and reform. If you scan the tables I append it will appear that the total of regular annual appropriations for 1884 was $231,993,647.63, for 1885 was $195,710,588.09, for 1886 was $219,595,283,18, and for 1887 is $264,783,579.59.

But enormous as is the increase of appropriations for 1887 it falls far short of the demand for money made by this administration.

The heads of Departments, united, estimate that their needs for 1887 are $293,676,129.36. We are warned by these estimates that next winter we may find huge deficiencies in nearly every Department.

The same warning we now have in the enormous deficiency bills for 1887, aggregating $13,950,880.87.

Keeping pace with these extravagant estimates of the Departments and with these lavish appropriations we find an increase of offices and of salaries. Can gentlemen on the other side of this Chamber deny this charge?

I can prove it by the record. But I have a shorter method. Hear the distinguished Democratic leader from Indiana [Mr. HOLMAN], whom you will not heed.

On August 2 (RECORD, page 7867) he made a statement which no man on this floor attempted to confute. Said he:

> But, Mr. Speaker, I rose for another purpose. I hope the House will not consent to go any further this session in increasing the number of public employés. Gentlemen will be astonished when they come to look at the list of new offices created by this Congress. They will find that it is almost without precedent since the close of the war, or at least since the 4th of March, 1873.
>
> The list is much larger than gentlemen who have not kept a vigilant watch of the record apprehend. And yet no increase in the public employments ought to have occurred.

Such is the record of the Democratic effort at retrenchment and reform.

The present Congress met when there was a strong public sentiment in favor of prompt and liberal outlay for the defense of our seaports, a sentiment admirably expressed by the letter of Mr. Tilden, the distinguished citizen who has just passed away. Congress already had a remarkable mass of information to guide it in legislation. It had, in the first place, the very elaborate report of the gun-foundry board, representing years of the labor of experts. It had the reports of the House select commission on ordnance and gunnery, sometimes called the public defense commission, and the Senate's Select Committee on Ordnance and War Ships, both representing months of labor in taking testimony and in visiting foundries and navy-yards, by some of the ablest men in Congress. It had the very elaborate report of the board on fortifications and other defenses. Finally, on the subject of heavy guns and harbor-defense batteries, it had the important report of the House Naval Committee. Perhaps there never has been in any Congress such a collection not only of documentary evidence as to the needs of our coast defense but so specific a statement of the precise method of beginning the work and the exact appropriations required. But more remarkable still, if possible, has been the substantial unanimity of these reports in describing the foundation work needed for providing heavy guns and impregnable forts.

The Senate wanted to begin at once; this House did not. It interposed a bill which was a cruel disappointment to the country. It would have been more frank to appropriate in lieu of the House bill a petty sum for the purchase of lawn-grass seed, climbing ivy, and roof moss, to make more pleasing to the eye of strangers who sail into our harbors our dismantling and defenseless fortifications.

The President laboriously vetoes a few individual pension bills but promptly seconds the multitudinous efforts of this House to pass a huge river and harbor bill. He has just signed it. These things consume much time, and within a few hours we will adjourn without a fortification bill. Come, let us go home, that the people may consider these things.

APPENDIX.

History of the fourteen regular appropriation bills, 1886–'87.

Title.	Estimates, 1886.	Estimates, 1887.	Reported to the House.		Passed the House.	
			Date.	Amount.	Date.	Amount.
			1886.		1886.	
Agricultural	$699,110 00	$651,875 00	April 2	$523,215 00	April 14	$523,715 00
Army	26,110,489 95	25,356,998 01	March 3	23,892,588 46	May 12	23,968,928 46
Diplomatic and consular	1,623,176 75	1,604,961 60	March 2	1,279,665 00	May 13	1,299,665 00
District of Columbia *a*	3,669,544 24	3,839,868 99	March 4	3,611,662 99	April 12	3,611,661 99
Fortifications	7,303,000 00	3,396,000 00	July 10	620,000 00	July 19	620,000 00
Indian	7,328,049 64	6,051,259 84	Feb. 11	5,502,312 84	March 24	5,493,062 84
Legislative, &c	22,366,500 05	21,523,565 62	May 20	20,560,119 42	June 16	20,584,229 17
Military Academy	393,344 78	411,075 00	Feb. 25	197,805 00	May 8	297,805 00
Navy	30,654,010 50	30,836,357 74	May 21	11,849,858 70	June 21	11,778,656 46
Pension	60,000,000 00	75,830,200 00	Feb. 5	75,754,200 00	March 4	75,754,200 00
Post-Office *b*	56,099,169 50	54,986,166 89	Feb. 25	54,326,589 07	April 6	54,326,589 07
River and harbor	8,177,400 00	*c*10,176,920 00	March 31	15,120,700 00	May 6	15,142,100 00
Sundry civil	32,326,402 22	33,554,600 59	June 17	21,053,822 04	July 1	21,311,525 24
Total	256,750,197 63	268,220,849 98		294,392,538 52		234,712,139 23
Deficiency	8,582,454 05	*d*14,686,264 10	June 29	6,062,845 39	July 10	5,914,962 32
Urgent deficiency			Feb'y 26	634,452 65	March 5	634,452 65
Pension, &c., deficiency			May 14	6,229,000 00	May 17	6,229,000 00
Total	265,332,651 68	282,907,114 08		247,318,836 56		247,490,554 20
Alabama claims		5,769,015 28				
Increase of naval establishment		(*e*)				
Miscellaneous	3,000,000 00	*f*5,000,000 00				
Grand total	268,332,651 68	293,676,129 36				

History of the fourteen regular appropriation bills—Continued.

Title.	Reported to the Senate.		Passed the Senate.		Law, 1886-'87.		Amount.		
	Date.	Amount.	Date.	Amount.	Date.	Amount.	Law, 1885-'86.	Law, 1884-'85.	Law, 1883-'84.
	1886.		1886.		1886.				
Agricultural	June 5	$663,215 00	June 10	$671,215 00	June 30	$654,715 00	$585,790 00	$480,190 00	$405,640 00
Army	June 11	23,830,874 80	June 12	23,830,874 80	June 30	23,753,057 21	24,014,052 50	24,454,450 00	24,681,250 00
Diplomatic and consular	June 3	1,349,365 00	June 7	1,364,365 00	July 1	1,364,065 00	1,242,925 00	1,219,390 00	1,296,755 00
District of Columbia *a*	May 21	3,821,527 99	May 24	3,823,227 99	July 9	3,721,050 99	3,622,683 20	3,559,835 54	3,507,247 96
Fortifications	July 26	6,630,000 00	July 28	6,830 000 00			725,000 00	700,000 00	670,000 00
Indian	April 8	5,544,082 84	April 12	5,571,082 84	May 15	5,546,262 84	5,762,512 70	5,859,402 91	5,358,655 91
Legislative, &c	June 28	20,715,734 77	July 2	20,741,132 37	July 31	20,654,346 37	21,376,708 70	21,393,141 85	20,454,246 22
Military Academy	June 16	297,805 00	June 16	297,805 00	June 29	297,805 00	310,021 64	314.563 50	318,657 50
Navy	July 3	12,833,594 46	July 16	13,073,594 46	July 26	12,989,907 20	15,070,837 95	14,980,472 59	15,894,434 23
Pension	June 16	76,075,200 00	June 16	76,075,200 00	July 2	76,075,200 00	60,000,000 00	*g* 20,810,000 00	*h* 86,575,000 00
Post-Office *b*	April 26	55,165,863 25	May 4	55,245,863 25	June 30	54,365,863 25	53,700,990 00	49,040,400 00	44,489,520 00
River and harbor	June 28	18,037,475 00	July 16	14,013,393 25		14,473,900 00	(*j*)	13,949,200 00	(*j*)
Sundry civil	July 12	23,173,887 49	July 21	24,418,375 32		22,657,510 58	26,079,257 49	22,299,434 30	23,679,575 44
Total		248,138,625 60		245,956,129 28		236,553,683 44	212,490,779 18	179,060,480 69	227,330,982 26
Deficiency	July 20	6,565,813 26	July 26	7,807,158 09		6,860,325 03			
Urgent deficiency	March 9	685,802 65	March 10	687,062 65	March 26	669,055 84	4,926,855 80	7,057,509 00	2,749,941 49
Pension, &c., deficiency	May 21	6,433,000 00	May 21	6,433,000 00	May 28	6,431,500 00			
Total		261,823,241 51		260,883,350 02		250,514,564 31	217,417,634 98	186,117,989 69	230,080,923 75
Alabama claims						5,769,015 28			
Increase of naval establishment						3,500,000 00	2,177,648 20	9,592,598 40	1,912,723 88
Miscellaneous						*k* 5,000,000 00			
Grand total						264,783,579 59	219,595,283 18	195,710,588 09	231,993,647 63

a. Fifty per cent. of the amounts appropriated for the District of Columbia are paid by the United States. The amount for the water department (estimated for 1887 at $183,483.02) is paid out of the revenues of that department.

b. The appropriations for the postal service are paid out of the postal revenues (estimated for 1887 at $47,542,252.64), and any deficiency in the revenue is provided for out of the Treasury of the United States.

c. This is the estimate submitted for 1887. "The amount that can be profitably expended," as reported by the Chief of Engineers, is $42,332,100 (Book of Estimates, page 178).

d. This amount covers deficiency estimates submitted in House Executive Documents Nos. 62, 70, 176, 210, 225, 233, 270, 275, 280, and 294, and Senate Executive Documents Nos. 213 and 218, first session Forty-ninth Congress.

e. The estimates for increase of the naval establishment are included in the general estimates for the Navy for 1887.

f. This amount is estimated.

g. In addition to this amount for pensions for 1884-'85, an unexpended balance of appropriation, estimated at $66,000,000, was reappropriated and made available for that fiscal year.

h. In addition to this amount for pensions for 1883-'84, an unexpended balance of appropriation, amounting to $39,000,000, was reappropriated and made available for that fiscal year.

j. No appropriations were made for rivers and harbors for the fiscal years 1883-'84 and 1885-'86.

k. This amount is based upon laws approved and printed up to July 31, and bills which have passed both Houses.

I have here a statement of the permanent appropriations of the Government, including the sinking fund, and I will ask the Reporter to include this in what I am saying.

The statement referred to is as follows:

Permanent and indefinite appropriations for the fiscal year ending June 30, 1887.

Smithsonian Institution	$42,180 00
Collecting customs revenue	5,500,000 00
Collecting customs revenue (additional)	750,000 00
Equipping the militia	200,000 00
Return of captured and abandoned property	20,000 00
Sinking fund	46,659,000 00
Interest on public debt	44,622,589 00
Interest on Pacific Railroad bonds	3,877,410 72
Salaries and expenses steamboat inspectors	255,000 00
Salaries and expenses inspectors foreign steam-vessels	35,000 00
Refunding national banking associations excess of duty	200 00
Promote education of the blind	10,000 00
Internal-revenue drawback	40,000 00
Internal revenue (refunding illegally collected taxes)	35,000 00
Internal revenue (refunding moneys erroneously received)	200 00
Internal-revenue redemption of stamps	50,000 00
Marine Hospital establishment	450,000 00
Detention and prevention of frauds on customs	50,000 00
Regulating immigration (Customs)	200,000 00
Expenses shipping service	60,000 00
Unclaimed merchandise (Customs)	1,000 00
Repayment to importers excess of deposits	4,000,000 00
Debentures or drawbacks, bounties or allowances	8,500,000 00
Debentures and other charges	300 00
Refunding duties on goods destroyed (Customs)	500 00
Refunding moneys erroneously received and covered (Customs)	200 00
Soldiers' Home	300,000 00
Transportation of the Army and its supplies, Pacific railroads (War)	900,000 00
Ordnance material, proceeds of sale (War)	75,000 00
Constructing Mississippi jetties (War)	150,000 00
Operating and care of canals and other works of navigation	200,000 00
Removing sunken vessels	30,000 00
Ordnance material, proceeds of sales (War)	2,500 00
Sales of small-arms	5,000 00
Prize-money to captors	7,000 00
Indemnity to seamen and marines for lost clothing	3,000 00
Deposits by individuals for surveying public lands	400,000 00
Indemnity for swamp lands to States	50,000 00
Refunding money for lands erroneously sold	75,000 00
Maryland Institution for Blind	5,000 00
Five, 3, and 2 per cent. funds to States (Lands)	200,000 00
Miscellaneous	275 00
Mail transportation, Pacific railroads (Post-Office Department)	1,000,000 00
Supervisors of elections	100,000 00
Salaries of retired judges	42,000 00
Salary and expenses, reporter Supreme Court	7,500 00
Total permanent and indefinite	118,910,955 00
Deduct sinking fund	46,659,000 00
Permanent appropriations exclusive of sinking fund	72,251,955 00

Protecting the Public Lands.

SPEECH

OF

HON. THOMAS RYAN,

OF KANSAS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 28, 1886.

The House having under consideration in Committee of the Whole the amendments of the Senate to the sundry civil appropriation bill, and specially an amendment to reduce the appropriations for protecting the public lands from depredations—

Mr. RYAN said:

Mr. SPEAKER: The proposition made by the gentleman from Indiana is a most extraordinary one. In all my service in Congress I do not recall an instance when a proposition was made on a disagreement of votes between the two Houses to raise the appropriation above the higher amount. The House agreed upon $90,000 as the proper sum——

Mr. HISCOCK. Is it claimed that amendment is in order? Of course it is not in order.

The CHAIRMAN. The gentleman from Kansas [Mr. RYAN] has the floor on the amendment.

Mr. RYAN. Whether it is in order or not it seems to me most extraordinary. It never has been done by Congress so far as I know before, except that perhaps in one instance it was done in a conference committee, and then, if I recollect aright, it was denounced very bitterly, and very properly, I think, by the gentleman from Indiana [Mr. HOLMAN].

In this case, as I have said, the sum agreed upon by the House was $90,000. After an exhaustive discussion in the Senate the amount was reduced to the sum named in the Senate amendment, namely, $75,000.

The sum agreed upon by the House has been found sufficient for the public service in past years, and a large force during all these years has been employed for the purpose of detecting frauds in the public-land entries. The result of that has been to prevent very largely for the last few years any of these frauds being committed. Nearly every fraud upon the public lands that rises to a point higher than some technical error in proving up occurred mainly prior to the organization of this system of detecting frauds. Nearly every part of the public domain

that has been irregularly taken has been gone over by these detectives and reported upon.

I think it will be found that the Department to-day has information of every important fraud upon the public domain. There is really no necessity for more than a nominal force, and that is needed mainly for preventive purposes. Yet I shall not object to the House proposition. I am willing to maintain the necessary force. I am not asking for a reduction of the force. But, Mr. Chairman, for several years past we have made appropriations for this purpose. We reached the maximum, I believe, last year, $90,000.

The gentleman from Indiana [Mr. HOLMAN] tells us that the former Land Commissioner, Mr. McFarland, asked for $300,000. So he did, but we gave him only $90,000, and we gave him an all-sufficient sum, and I do not remember to have heard the voice of the gentleman from Indiana in this House at that time calling for more money for that purpose, although there was more occasion for it then than there is now. A force has been employed for years in the business of unearthing these frauds, and, as I have already said, there remains now but little use for a detective force; it is needed more for preventive purposes than for any other. In the face of the machinery that has been organized to prevent frauds upon the public domain there have not been for some time any serious frauds committed of which I have any information.

In years past when these frauds were flagrant those who are now pressing this extraordinary motion in violation of all precedent and against orderly methods of legislation, were either silent or hostile when appropriations for this purpose were before the House. They have persistently, and that too after the danger is largely past, become tenderly solicitous touching these frauds.

When this proposition was before the House a few days ago the gentleman from Pennsylvania very plainly intimated that the purpose of an increase of this appropriation was to make provision for hungry office-seekers. The gentleman was then, as always, frank and courageous in protecting the Treasury from the greed of the hungry horde. I will not say that the increase here asked for is for any such purpose, but the conduct of those who are pressing it is so at variance with their conspicuous attitude toward similar appropriations in the past that the honorable gentleman from Pennsylvania does not appear to have done serious injustice in making the declaration. It is urged upon us that the Commissioner of the General Land Office asks Congress to give him $300,000 to expend for this purpose. They ignore the fact that in the first six months of the present year he only expended about $30,000 of the $90,000 that Congress placed at his disposal for that purpose.

If the frauds upon the public domain were so enormous, why did he expend but $30,000 in protecting the public lands in the first six months of this year when he had $90,000 in his hands for such use? Doubtless there have been frauds upon the public lands as there have been frauds upon the revenues, the currency, and in the public expenditures. So long as human nature remains imperfect so long will there be violations of law. But there has been a persistent effort to magnify the public-land frauds. For years a corps of detectives, commonly called "special agents," have been employed at enormous cost to the Treasury for the purpose of finding such frauds. Some of them are doubtless good men; others are known to have been infinitely worse, if possible, than any of the land thieves. They seem to have been impressed with the idea that their employment depended upon their finding frauds somewhere.

Their ears were open to rumors most vague and all manner of malice, detraction, and slander, and these were formulated into reports until the Land Office became flooded with recitals of gigantic frauds so universal as to apparently embrace the entire occupancy of the public lands by settlers during the last six to ten years. Undoubtedly some real frauds were embraced in these reports; but that in the main they are gross exaggerations ought to be apparent to all who have any knowledge of the character of that class of our people who go upon the public lands to secure homes.

The very utmost limit of injustice was reached when the administration issued this order to the registers and receivers of the local land offices of the United States:

DEPARTMENT OF THE INTERIOR, GENERAL LAND OFFICE,
Washington, D. C., April 3, 1885.

Registers and Receivers, United States land offices:

GENTLEMEN: Final action in this office upon all entries of the public lands, except private cash entries and such scrip locations as are not dependent upon acts of settlement and cultivation, is suspended in the following localities, namely:

All west of the first guide meridian west in Kansas. All west of range 17 west in Nebraska. The whole of Colorado, except land in late Ute reservation. All of Dakota, Idaho, Utah, New Mexico, Washington, Montana, Wyoming, Nevada, and that portion of Minnesota north of the indemnity limits of the Northern Pacific Railroad and east of the indemnity limits of the Saint Paul, Minneapolis and Manitoba Railroad.

In addition, final action in this office will be suspended upon all timber entries under the act of June 3, 1878, also upon all cases of desert-land entries.

Very respectfully,

W. A. J. SPARKS, *Commissioner.*

By that order the entry of every settler upon the public lands in half of the State of Kansas, more than half of the State of Nebraska, all of Colorado, Dakota, Idaho, Utah, New Mexico, Washington, Montana, Wyoming, Nevada, and a large part of Minnesota, was suspended. Every timber and desert-land entry everywhere was suspended. It is safe to say that more than a million of humble homes were seriously affected by that order; more than a million titles to *bona fide* homes of sturdy pioneers were by that official act branded with suspicion and covered with a cloud. The proverbial rugged honesty of these settlers, their long and tedious hours of toil, their almost indescribable privations ought to have secured for them at the hands of this Department something better than an indiscriminate arraignment as public land thieves. However pure and honorable may have been the motives that gave existence to that official act, the effect has been almost unparalleled in our country for outrage and cruelty; and it is much to the credit of the honorable Secretary of the Interior that when finally, after the lapse of about one year, the injustice of it was brought to his attention he promptly canceled it. That official act recognized dishonesty as the rule among those who settled upon the public lands.

If we may not look for honesty as the rule among the brave and sturdy men who go in advance of civilization upon the public lands to build up homes for themselves and their families, who have carved out of our vast domain since the formation of our Government twenty-five of the grand and mighty States of our Union, I fear we shall look in vain for it elsewhere. If the implications of that order be true, then indeed is there no hope for the Republic, for no longer can there be among our people anything but corruption. Every fair-minded man will regard this monstrous imputation against millions of Western pioneers as unmitigated slander. I would not for one moment allow myself to doubt that in the discharge of his official duties the Commissioner of the General Land Office is actuated by an honorable zeal for the public good, but his methods are too often erroneous and mischievous.

The motion should not prevail.

Bogus Butter.

SPEECH

OF

HON. JAMES BUCHANAN,

OF NEW JERSEY,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, May 29, 1886.

The House being in Committee of the Whole, and having under consideration the bill (H. R. 8328) defining butter; also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine—

Mr. BUCHANAN said:

Mr. CHAIRMAN: If the proposed amendment stood alone upon its merits, disassociated with any other legislation, I would be disposed to favor it, but the difficulty is that it is proposed as an amendment to a bill to which it is not germane, and the only effect of its adoption must be to further endanger the passage of this bill. Therefore, whatever may be the conviction of the House upon the abstract correctness of the proposition embodied in the amendment, I hope it will be voted down in the interest of the success of this bill and let it come up hereafter as a separate measure and each proposition be disposed of on its own merits. [Applause.]

Mr. HAMMOND. Will the gentleman yield to me for a question?

Mr. BUCHANAN. Certainly.

Mr. HAMMOND. If we can dispense with the tax on tobacco and can not get it dispensed with in this bill, why do you wish to impose any more taxation by this bill?

Mr. BUCHANAN. Have I indicated any such purpose?

Mr. HAMMOND. What is your intent in voting for this bill?

Mr. BUCHANAN. I intend voting for this bill——

Mr. HAMMOND. But not for the purpose of raising revenue?

Mr. BUCHANAN. My motives are my own, I say in all courtesy.

Mr. HAMMOND. I ask you whether you had a motive which you would avow.

Mr. BUCHANAN. I have said my motives are my own. My acts belong to my constituents. For neither, I beg to say, am I responsible to the gentleman from Georgia. But I am perfectly willing to avow my motive.

Mr. HAMMOND. Really I would like to hear it.

Mr. BUCHANAN. If I had some minutes of time in addition to what the rules give me I would offer facts and suggestions which would amply justify voting for this bill, and trusting to the generosity of the House I will take a few minutes for this purpose.

We hear much in this Hall of the great manufacturing, mining, and mercantile interests of this country. They are of great importance, and rapidly growing in importance and extent. But the agricultural interest exceeds in extent and value all of these. That interest is now in a state of great and unusual depression. All over our land the farmers are suffering as for many years heretofore they have not suffered. Many of them own lands purchased in the period of high prices and bearing mortgages, which with the falling of values represent in many instances

only the present selling price of the lands, the value represented by the part of the consideration paid having disappeared by the depression, but the mortgages, of course, remaining at the original amount.

Owing to the competition of the fertile prairies of the Northwest and the Valley of the Mississippi and the reduced railroad charges for transportation, the farmer of the East finds it impossible to produce his former staples—wheat and corn—except at an actual loss. His foreign market for breadstuffs is being supplied from the wheat-fields of India, tilled by labor paid less than 10 cents per day, and all that he produces has declined very greatly in price, while the cost of production has not lessened, but has in many directions actually increased.

Taxation, too, bears heavily upon him. A rate that in the times of high prices and an abnormal volume of currency was but a slight burden, now represents a far larger number of bushels of grain or tons of hay. State extravagance, local improvements, and official mismanagement have left a direct tax which bears hardly upon him. To the legislator it may seem small, but to many a farmer it represents the sacrifice of some hoped-for comfort or convenience for himself or family. We hear much of the comfort and independence of the American farmer. Born and reared upon a farm and living thereon for twenty-four years, mingling daily with those engaged in this avocation, and thus having personal knowledge of what I say, I say that much of that comfort and independence exists only in the imagination of writers who know of farm-life only from the outside; who see only the green fields, the waving grain, the golden harvests, and do not see the hours of severest toil, long as the long, hot summer day; the anxious thought about interest, taxes, and bills for machinery and the like; the despair over blighted crops, and the corroding care bred by debts which can not be promptly paid.

This interest demands our most serious attention. The farmer has seen Legislature after Legislature come and go. He has seen Congress after Congress assemble and adjourn. He has seen law after law enacted in the interest of railroads and banks and other aggregations of capital, and, believing that the enhancement of every material interest must result in the common good, he has not complained. He now comes here and asks this bill at our hands. Agricultural societies, granges, and other organizations of farmers, almost without number, are here by representative or petition asking that measures may be taken by which they may be assisted in ferreting out and branding a fraud. I warn this House not to refuse their prayer. In honesty we can not refuse it. In justice we ought not.

Some years ago a Frenchman, M. Mége, discovered that from the fat of animals an article could be extracted which resembled butter in taste, though not in color. Acting upon this hint, some capitalists in this country commenced the making of artificial butter. They claim that they use only sound, healthy fats and wholesome processes, but unfortunately for them some of them were so eager to enjoy a monopoly of their processes that they have taken out patents for them. Those patents are public records. They speak louder than the interested circulars now put forth. Patent No. 148768 is for a "substitute for butter," consisting "of a base of yelk of eggs, butter, and milk, agitated in a zinc vessel that has been coated with a solution of niter."

Patent No. 266777 uses cotton-seed oil or other vegetable oils treated with a solution of caustic soda in combination with farinaceous flour which had previously been thoroughly cooked in suet-water.

Patent No. 301782 says:

> The process consists in first forming a soap emulsion of the fats or fatty oils with caustic soda, then precipitate the lye, then apply chlorinated alkaline lye or chlorinated gas to the soap emulsion as described.

Another patent granted to N. I. Nathan, of the firm of N. I. Nathan & Co., manufacturers of butter and oleomargarine, for a process of making artificial butter, describes the process used by said firm in the manufacture of their butter substitute. It says:

> The lard which has passed through the sieve is then subjected to the action of cold water, to which has been previously added and thoroughly stirred a quantity of borax and nitric acid, about in the proportions hereinafter specified. By treating the lard in this solution, composed of water, borax, and nitric acid, the effect is to further cleanse the lard and make it partake of or assume a clear white color, free of all odor, and almost perfectly tasteless. After being subjected to this treatment, the mass is removed and thoroughly rewashed in cold water, preferably in a separate and distinct vessel from that previously employed, whereby the product becomes a purified or deodorized leaf lard, its characteristic being that it is of a beautiful color, a clear white, perfectly odorless, remarkably solid, and free from the disagreeable taste usually present with lard. Arriving at this stage of the process, a certain minute quantity of nitric acid is added to the water, and incorporated with a certain quantity of the purified or deodorized lard to further strengthen the solution, and this mode of treatment and addition of nitric acid are continued as mass after mass of the purified or deodorized lard is prepared, the operation being continued until the product assumes a clear white color, void of odor and taste. The product thus obtained is mixed with oleomargarine, which is then a commercial article and readily obtained in the market, and when all is thoroughly mixed the mass is subjected to heat, &c.

Rancid fats, with decay arrested and odor washed away by nitric acid, may be used under this formula, but no removal of odor can restore nutritive qualities to partly decayed fats.

Patent No. 236483 describes another process of making artificial butter, as follows:

> I first separate the oleine and margarine from the stearine by any known method, for example, by mincing and melting the fat and then pressing it in bags of open texture. I next place the oleomargarine thus obtained with an alkaline solution, preferably in the following proportions: to 80 pounds of oleomargarine 20 pounds of water and 8 ounces of bicarbonate of soda. I next agitate the oleomargarine and the alkaline solution together until the oil globules of the former are thoroughly mixed with the alkaline solution and partly saponified by the action of said alkali. I then add to the oleomargarine thus partly saponified a small quantity of nitric acid, preferably in the proportion of 1 dram to every 100 pounds. This gives to the article such a fine flavor that even an expert can scarcely distinguish it from excellent dairy butter.

Mark the words, "that even an expert can scarcely distinguish it from excellent dairy butter." He then goes on:

> Of course the butyric acid thus added may be varied to suit the requirements of each particular article or the tastes of certain classes of purchasers. This process, as above described, avoids the use of milk, and consequently the use of caseine.

It only remains to make this villainous process clear to add that "saponified" means grease converted into soap, and that "butyric acid" is described by Webster as "an acid found in butter; an oily, limpid fluid having the smell of rancid butter and an acrid taste, with a sweetish after-taste like that of ether."

Letters patent No. 145840 use with other things sulphuric acid (oil of vitriol), tallow, and alum.

Other patents show that among other drugs and substances used in the different processes of making artificial butter may be found nitric acid (commonly known as *aqua fortis*), chlorate of potash, peroxide of magnesia, nitrate of soda, caustic potash, chalk, oil of sweet almonds, stomach of pigs, sheep, and calves, cotton-seed oil, alum, cows' udders, carbolic acid, bromo-chloralum, and caustic soda.

The product of these processes is being manufactured and sold in large quantities in the place and stead of butter, and under the pretense of being butter. This began about the year 1876. It has increased until reliable estimates now give the amount of oleomargarine and bogus butter products at Chicago alone for the year past at 18,000,000 to 20,000,000 pounds, and in the whole United States for the same time at 32,000,000 to 35,000,000 pounds. In 1876 we exported of this stuff $70,483 in value. In 1885 the amount rose to $4,451,632.

State legislation has proved ineffective in stamping the true character of this compound upon its packages. By one evasion or another it has succeeded in palming itself off upon an unsuspecting public as pure butter and at the price of pure butter. It is this fraud which the agricultural interests complain of. If bogus butter were made as such, sold as such, at oleomargarine prices, and eaten knowingly as bogus butter, no complaint would be made. It is the fraud which should be suppressed. This bill does not touch oleomargarine when made and sold as such. It is only when it is made or sold in imitation of butter, or as and for butter, that the bill applies to it. Can any one complain of this?

If any one wants to put pure oleomargarine, made of the best of materials and by the most cleanly of methods, but with its natural, marble-white color and insipid taste, into his mouth, this bill does not forbid him; but when stale drugs and deleterious substances are put into it, and it is fixed up to resemble or become a fraud upon good, honest butter, then this law steps in and says it must then bear its true character, and then if still any one wishes to try experiments with his health by eating it, after knowing what it is, he may do so.

We have been favored with numerous remonstrances from the boards of trade of Chicago and other cities against the passage of this bill. Among other things they urge that oleomargarine makes a cheap substitute for butter for use by the poor. Several answers to this may be given. First, oleomargarine is not a cheap substitute. The greater part sold in this country is sold as butter and at butter prices, and the poor man really pays butter prices and gets the cheap substitute. The man of more means can buy his butter by the tub and be certain of the article. The one who must buy by the pound or the half-pound is at the mercy of the retailer's honesty. Second, no poor man desires to make, as has already been remarked, "a drug store of his stomach." His hard toil requires pure, sustaining food, not a mixture of "saponified" grease, oil of vitriol, and *aqua fortis*. Third, if he does really desire the cheap substitute, he can under the operation of this bill obtain it just as readily as now, the only difference being that he will obtain it without coloring matter and knowing exactly what it is, and without paying one cent of tax.

Since when has the Chicago Board of Trade become so solicitous about the poor man's food? It is well known that without the slightest compunction the gamblers in futures upon its floor will combine and put up the price of wheat, or corn, or pork, that thereby they may fatten at the expense of any one who has a family to feed, and without any advantage accruing to the producer. The solicitude of these speculators for the welfare of the poor man is as novel as it is insincere.

View this question as I may, either as one of political economy, as one of abstract justice, as one of honesty and fair dealing, or as one of expediency, I must vote for this bill.

Agriculture lies at the base of all national greatness. From the ranks of that avocation have come some of our ablest statesmen, our most enterprising business men, our leaders in thought and intellect. Its ways are ways of peace. Its associations are such as to lead to solidity of character and earnestness of endeavor. Whatever tends to protect this interest tends to render more certain the perpetuity of this Republic and to enhance her usefulness and greatness.

Forfeiture of Northern Pacific Land Grant.

SPEECH

OF

HON. WILLIAM C. OATES,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Monday, July 26, 1886.

The House having under consideration the bill (S. 2172) restoring to the United States certain of the lands granted to the Northern Pacific Railroad Company to aid in the construction of a railroad from Lake Superior to Puget Sound, and to restore the same to settlement, and for other purposes—

Mr. OATES said:

Mr. SPEAKER: In the limited time given me by the gentleman from Minnesota [Mr. STRAIT], for which, however, I am very grateful, for it is all he has, I can not enter upon the question of the policy of grants of land for the construction of railroads or the history of this particular grant. Therefore I will proceed to discuss first the nature and character of the estate granted, and secondly whether it is forfeitable, and if so, to what extent.

It is conceded on all hands that this is a grant of an estate upon condition-subsequent. There has been some contrariety of opinion as to its character, and it may be said in a certain sense that it was not that kind of a grant, because there was an attempt in the act making the grant to substitute some other remedy than the common law remedy of forfeiture by re-entry; and if that had been successful it would, as every lawyer knows, or ought to know, have changed the character of the grant. But the attempt at substitution providing for the Government to repossess the land for conditions broken, and proceed to adopt any method it might deem proper to secure the speedy construction of the road, when pursued to its logical consequences, goes back to the same thing as though no such provision had been inserted; because when the title is resumed by the Government there is no power, no prior engagement, attempt to dedicate, or anything that can compel the Government to dispose of that land except as it pleases. Therefore the attempt to substitute another remedy has substantially and practically failed.

This, therefore, stands as a grant upon conditions-subsequent. Mark the difference between it and a grant upon condition-precedent. I note a distinguished Senator at the other end of the Capitol contended the other day that this grant was made upon conditions-precedent. Now, if that be true, and all of the conditions were not performed, under the rules of common law the title would not have vested at all in the railroad company as grantees. But we find incorporated in this grant section 4, which changes that common-law rule, because it provides that whenever the grantee performs by building sections of 25 miles of the road in the manner stipulated for the contract *pro tanto* is fulfilled and the title to the lands coterminous at once vests in the grantee. And under the decision of Van Wyck and Knevals read by the gentleman from Mississippi [Mr. VAN EATON], the Supreme Court has already adjudged that question; they have held that the lands coterminous, whether patented or not, belong to the company whenever the road is constructed and accepted in the method which the grant itself prescribes—the condition is then performed as to those lands and the contract *pro tanto* executed. This section 4 makes the contract several and destroys the idea of entirety, which is repugnant to a grant on conditions-precedent.

If that clause was not in the granting act, then if each and every one of the conditions were not performed, if a single one of them was omitted, the conditions being conditions-precedent, the whole thing would fail and the company would lose all the lands. But such a construction is not maintainable. The very language of the grant shows to every legal mind, it seems to me, that this grant is upon conditions-subsequent, and in that I am in accord with the Committee on Public Lands of this House, for they treat them as such. I am in this construction sustained by the Supreme Court in Repentigny's case in 5 Wallace, and Schulenburg and Harriman in 21 Wallace, and by that ancient but respectable authority, Blackstone by Cooley 1, pages 152–3, and by Minor, 2 Inst., 260–61, with no respectable or weighty authority to be found in the books to the contrary.

Now mark the difference between the two characters of estates upon conditions expressed. Wherever an estate is granted upon condition-precedent unless the condition is performed no title vests; but where the condition is subsequent the title vests the moment the grant is made, and it can be defeated only by the concurrence of two things—the failure of the grantee to perform the conditions and the action of the grantor, which is necessary to reinvest him with the title.

Now, no one can do this for the grantor. At the common law as between individuals, where the conditions were not performed, the grantor was obliged to re-enter, and the re-entry like an office judgment and by force of law, there being no room for controversy, reinvested him with the title. There is no statutory rule in this country regulating forfeitures of this character. The proceeding is under common law, except that under the decision of the Supreme Court in the Schulenberg-Harriman case this thing must be done by legislative declaration or judicial decision. We undertake to do it here by legislative action. In what case is legislative action good? It is only where the right is indisputable. Where it is a questionable right, one that is a fit subject of litigation and adjudication, it belongs to the judiciary and can only be determined there.

Mr. PAYSON. Will the gentleman allow an interruption?

Mr. OATES. Not unless I have more time given me.

Mr. PAYSON. I will give you a minute. My question is this: Could the Department of Justice institute proceedings to assert a forfeiture in a case like this, under the law as it stands, unless authorized by act of Congress?

Mr. OATES. That can be done only when there is some statutory authority therefor. It is necessary to give the court jurisdiction.

Mr. PAYSON. Then, in any event, it requires affirmative action by Congress.

Mr. OATES. It requires some action.

Mr. PAYSON. That is what I say.

Mr. OATES. Returning to the line of my argument, let me say that having determined that the conditions of this grant are subsequent I enter upon the second branch of the subject. I will refer to some of the subsequent legislation of Congress to see whether the Government is in a condition to assert a forfeiture to the extent recommended by the Committee on Public Lands.

The time, which is treated as one of the conditions, and properly so treated, expired on the 4th day of July, 1879. Now, what has been the condition of the company and what has been its history since that time? The original company when they undertook to organize and go to building the road did not have sufficient money to do it, and they applied to Congress for permission to mortgage their franchises and lands. They might have mortgaged the lands without any special permission; but, to make assurance doubly sure, they applied to Congress and the act of 1869 was passed, authorizing the company to make a mortgage on their franchise and lands. How did that operate? The company tried to raise the money in that way and on that security, but no one would advance it for the reason that the act did not give away the right of the Government as grantor to insist upon the right to re-enter and forfeit, but merely gave permission to mortgage without any condition. The company failed to raise the money on that mortgage, and in 1870, before a mile of the road was constructed, they again came to Congress, and Congress passed the joint resolution of May 31, 1870——

Mr. PAYSON. Will the gentleman permit me to interrupt him, for I know he desires to be accurate.

Mr. OATES. Certainly.

Mr. PAYSON. The act of 1869 did not authorize the company to mortgage its lands. The act of 1869 simply gave the company power to mortgage its franchises, its line of railroad and telegraph.

Mr. OATES. Does not the gentleman as a lawyer know that the company had a right to mortgage their lands without an enabling act?

Mr. PAYSON. No, sir, I do not; and they certainly did not have the right to mortgage their franchises.

Mr. OATES. It may have been necessary to give them authority to mortgage their franchises, but they certainly could mortgage all their right, title, and interest in the lands without legislation.

Mr. PAYSON. But the gentleman's point, as I understand it, is that the act of 1869 gave them authority to mortgage their lands, but that they could not get the money under that authority, and therefore they came again to Congress for the joint resolution of 1870. Now I am correcting the gentleman by showing that they did not have power, as they supposed, to mortgage their lands without authority of Congress, nor did the act of 1869 give them that power. It was not until 1870 that an act was passed giving them that authority.

Mr. OATES. The gentleman is right about the act of 1869; but I maintain that the company could without an enabling act have mortgaged their defeasable title to the lands. I will here print the material part of the joint resolution of 1870. It reads as follows:

That all lands hereby granted to said company which shall not be sold or disposed of or remain subject to the mortgage by this act authorized, at the expiration of five years after the completion of the entire road, shall be subject to settlement and pre-emption like other lands, at a price to be paid to said company not exceeding $2.50 per acre; and, if the mortgage hereby authorized shall at any time be enforced by foreclosure or other legal proceeding, or the mortgaged lands hereby granted, or any of them, be sold by the trustees to whom such mortgage may be executed, either at its maturity or for any failure or default of said company under the terms thereof, such lands shall be sold at public sale, at places within the States and Territories in which they shall be situate, after not less than sixty days' previous notice, in single sections or subdivisions thereof, to the highest and best bidder.

Mr. Speaker, the part of the act just read, in my judgment, gave away the rights of the Government to declare a forfeiture, to the extent that the company was permitted to construct the road and mortgage the lands. As an original proposition I would not have voted for that joint resolution, and I would not have voted for such a land grant in the first place. I care nothing for this railroad company. I have no connection with it and no interest in it whatever. I only desire to present this case according to my view of the law, and to ask that the House shall not proceed to pass something as a law which in my judg-

ment would be no law at all and accomplish nothing but protracted litigation.

Let me proceed to give a little more of the history of this company. Under the joint resolution they went to work mortgaging the lands and constructing the road, and they built it to Bismarck on the Missouri River, a distance of 530 miles. There that company failed—failed completely, with a bonded debt of thirty millions hanging over them.

A new company was organized which was composed largely of the creditors who had advanced their money in good faith, and they were given preferred stock in the new company for the thirty millions, the whole amount of the stock being, I believe, one hundred millions.

The new company set to work after the 4th day of July, 1879, when the time according to the terms of the grant for the completion of the road had expired, and went on building the road and built at least 1,500 miles of it, along which the House bill now proposes to forfeit all the lands granted to the company. Undoubtedly the Government had the right on the 4th day of July, 1879, to forfeit the lands all along the proposed line beyond and west of Bismarck, the point to which the road had been built, and it is perhaps true that the Government now has the strength to take the lands from the company by force; but, treating it as a judicial question, and as a question of common fairness as between individuals, I do not think the Government has any right to take those lands.

The gentleman from California [Mr. HENLEY] has stated the law correctly, in the case of a legislative grant the beneficiary under it must show affirmatively that the grant confers upon him the right which he claims, but there is another presumption of law in the same connection, and that is a presumption against forfeiture. An estate upon condition-subsequent is an estate already created, and the law requires that everything shall be done, and done strictly in accordance with the agreement, upon the part of the grantor, because the effect of forfeiture is to destroy the estate, and the presumptions of the common law are always in favor of maintaining estates.

Mr. HENLEY. If agreeable to the gentleman I will yield him five minutes of my remaining time, on condition that he will permit me to ask him a question.

Mr. OATES. Certainly; I will make that trade.

Mr. HENLEY. It is a good trade, because I shall not occupy with my question more than two minutes. I read from the decision of the Supreme Court of the United States, in the case of Farnsworth *vs.* The Minnesota and Pacific Railroad Company:

> But it is said that provisions for forfeiture are regarded with disfavor and construed with strictness, and that courts of equity will lean against their enforcement. This, as a general rule, is true when applied to cases of contract, and the forfeiture relates to a matter admitting of compensation or restoration; but there can be no leaning of the court against a forfeiture which is intended to secure the construction of a work in which the public is interested, where compensation can not be made for the default of the party, nor where the forfeiture is imposed by positive law. "Where any penalty or forfeiture," says Mr. Justice Story, "is imposed by statute upon the doing or omission of a certain act, there courts of equity will not interfere to mitigate the penalty or forfeiture, if incurred; for it would be in contravention of the direct expression of the legislative will.

Now, I ask the gentleman whether the Supreme Court in that decision does not declare the doctrine that while courts of equity will interpose and mitigate the rigor of the law in the case of a contract between individuals, that doctrine has no application in the case of a contract between the Government and an individual, because in the case between individuals one party may be allowed in a court of equity to say that the other party has been guilty of harshness or oppression; but this allegation can not be made in respect to a legislative act.

Mr. CASWELL. The rule is precisely the same in both cases.

Mr. HENLEY. The court in this case does not say so.

Mr. CASWELL. It does say so in 16 Wallace and 21 Wallace.

Mr. HENLEY. I have read from 92 United States Reports—2 Otto.

Mr. OATES. That does not affect the principle I was stating at all. I was stating the common-law rule. As a matter of course, if there be interpolated in a statute provisions contrary to that rule, the common law must give way and the statute must prevail. That is the character of the case you read from. That was a grant on condition-precedent, and of course no compensation could be decreed when the title had not vested.

Mr. CASWELL. Aud there are no terms of express forfeiture in the Northern Pacific grant.

Mr. HENLEY. And there is no decision of any court that requires such terms.

Mr. OATES. I must insist on going on with my argument.

Mr. Speaker, the Government permitted this new company to go on constructing its road and mortgaging the land under that joint resolution. And I say that while the Government is strong enough to do this thing, yet in equity and good conscience it ought not to do it. Why? I propose to give the reasons.

Mr. HENDERSON, of Iowa. What do you mean by saying "the Government is strong enough to do this thing," if it can not lawfully do it?

Mr. OATES. It may have the power to do it.

Mr. WARNER, of Ohio. Has it any power unless it has the legal right?

Mr. OATES. I have a very high idea of the power of the Government, because it suppressed a very large body of people, including myself, in the Southern States. [Laughter.]

Mr. HENDERSON, of Iowa. But we are now acting under civil law.

Mr. OATES. I am contending that the Government ought to act under the law, and that according to the principles of law it will not do this thing.

Mr. HENDERSON, of Iowa, Did you mean to say it could be done in the face of the decisions of the courts?

Mr. OATES. I maintain that the Government ought not to do it; that it can not legally do so.

Mr. GILFILLAN. Can the Government act in any other way than in accordance with the principles of law?

Mr. OATES. Well, I do not choose to follow that blue light off into the swamp; I want to pursue the line of my argument. But I will say that the effete dogma that the king can do no wrong is not entitled to a place in the lexicon of American statesmanship. This Government ought to set a good example to its citizens by itself obeying the law and performing its agreements.

I was about to state the reasons why in equity—and in many courts it has been so held as a matter of law—the Government ought not to declare this forfeiture as to the lands coterminous with the road constructed after the time expired. Time is not of the essence of the contract, because if it were it would convert the grant into one on condition-precedent. It could not be an estate on condition-subsequent. If time were of the essence of the grant the failure to perform the conditions within the time would of itself work a forfeiture, and your proceeding here would be nugatory and ridiculous.

Now, the company, as I was saying, proceeded to construct the road and to place mortgage bonds upon it to the extent of $25,000 a mile, with some additional second-mortgage bonds, until the aggregate is now nearly $70,000,000 of bonded indebtedness. Those bonds have been sold and are now in the hands of purchasers for value. The concluding part of the joint resolution not only authorized a mortgage to be placed upon these lands, but prescribed the mode and manner and even the notice to be given in case of a sale under foreclosure.

Now, the Government, having this right to declare a forfeiture for a failure to perform the conditions, when men came up and proposed to furnish money for the construction of the road by purchasing bonds, and the Government sanctions the proceeding and says, "Yes, the company may make the mortgage," and prescribes the method of executing and enforcing it, the right which the Government previously had to declare the forfeiture as to the constructed road and the coterminous lands covered by the mortgage is gone. Any act by the grantor inconsistent with the right claimed by the House bill was a waiver of that right according to all the law I have ever read on the subject.

Again, in the granting act, the Government obligated itself to survey the lands coterminous with the constructed road, for the purpose of conveying them to the company as they were needed for sale to aid in the construction of the road.

The United States failed to do that, and then by legislation on an appropriation bill compelled the company to pay for surveying the lands. This was a violation of the contract. In addition to that the Government obligated itself to clear the right of way for the company through all Indian reservations.

That is, the Government obligated itself to secure the right of way for the company through these Indian tribes or nations. It is shown in the minority report upon the testimony of Generals Brisbin, Gibbon, and Terry that up to about the time this road was required by the act to have been completed, the surveying parties sent out to survey and locate the road through the Yellowstone Valley had some members of their parties killed by the Indians. Furthermore, it is shown that these officers of the United States Army advised the surveying parties that they were unsafe in going out to survey the right of way for the company unless they had a guard much larger than could be furnished by them at that time.

In this connection, Mr. Speaker, let me say that wherever the condition-subsequent is impossible of performance, or where the grantor renders it impossible on the part of the grantee to perform it, or where the grantor takes away the means from the grantee of performing that condition, the condition is thereby dispensed with and the estate *pro tanto* becomes absolute. This is a well established principle of law.

Mr. BUTTERWORTH rose.

Mr. OATES. Let me complete this point. I will cite now the well considered decision in John C. Fremont's Mariposas case in 18 Howard. That was the case of a grant on condition-subsequent made by the Mexican Government to a citizen of California when it belonged to Mexico. It was afterward sold to John C. Fremont. He took it, of course, with the conditions attaching to the original grant. This Government succeeded to whatever rights Mexico had and declared it forfeited to the United States and took the property from Fremont for failure to perform the condition. That condition was to settle a certain

number of citizens on each league within a given time. Fremont brought suit, and the case was finally decided by the Supreme Court of the United States in his favor.

In that case the Supreme Court held that Fremont was entitled to the property because the country was so infested by hostile Indians as to render it impossible to perform the condition-subsequent except at the hazard of sacrificing the lives of those who settled upon the land. The law is not unreasonable enough to require the sacrifice of men to perform conditions-subsequent. When a condition is impossible to perform or, according to the doctrine of this decision, hazardous to human life, the grantee is excused from its performance and the estate becomes absolute.

When did the Government secure to the Northern Pacific Railroad Company the right of way through the Indian country? Look at the statutes. Here is an act passed in 1882 by the Forty-seventh Congress ratifying a treaty by which this Government secured to this company the right of way through the Crow Indian reservation. What is the history of it? When the company surveyed the road to the boundary line of that reservation and attempted to survey through it, did the Government go and open the way for them or secure to them the right which it promised? No; the Government not only did not secure to the company the right of way but the Indian agent drove off the surveying party, threatening them with the military. He would not allow them to enter within the boundary. The surveying parties had no right to enter in there, nor any one else.

This Government was the only power on earth which could secure the right of way. The company waited for the right to go on and build the road, and they did not secure that right until 1882. To attempt to forfeit the land because the company did not build it through this Indian reservation before July 4, 1879, when the right of way was not secured so as to allow even a survey until 1882, is something which no law and no equity on the face of the earth will sanction. Good conscience would not tolerate it for a single moment. No court in Christendom would decide in favor of requiring the performance of any such impossible condition on the part of any grantee when that condition was rendered impossible of performance by the grantor's failure to render the performance of the condition possible.

Under the treaty the United States agreed to pay the Indians $25,000 for that right of way. I have a certificate showing that the company promptly paid it, and went on to complete the road. Does this confer the right on the Government, in equity and good conscience, to forfeit these lands? The company built the road through there as soon as the Government made it possible for them to do it. That is all, it seems to me, there is of it, and the mere statement of the facts is enough to show that there is no right of forfeiture further than the Senate bill provides for.

Mr. WARNER, of Ohio. Is this anything more than to send the question for adjudication, as to the quantity of land forfeitable, to the courts to be judicially determined?

Mr. OATES. But why send to the courts matters in which the United States have no interest? Why should the United States litigate with the company about that which has been granted to and earned by the company? Has not this House intelligence enough to see the actual situation, and independence enough to do what is right, without regard to what the Knights of Labor may command?

It has been truly said that the Democratic platform as well as the Republican declares in favor of the forfeiture of the unearned lands granted by Congress to railroad corporations. Well, I am just that sort of a Democrat who follows out, obeys, and executes to the best of his ability the declarations and pledges made to the people in the national platform of my party, and I propose to do that here. Unlike some of my brethren I do not keep faith in land forfeitures and break it on a proposition to reduce the burdens of tariff and other taxation under which the people suffer.

The only question sir, of difference about forfeitures is as to what is an unearned land grant? What mean the words "unearned land grants?"

Mr. WARNER, of Ohio. That is a question to be determined judicially, I take it.

Mr. OATES. That is very true; but the House has a right and every member has a right to his own opinion about what constitutes the difference between an earned and an unearned land grant. Now, I am clearly of the opinion that an unearned land grant is a grant where the company have failed to build a road, and I am in favor of forfeiting such grants. The Senate bill, which I believe is right in that respect, provides for the forfeiture of the lands from Wallula Junction to Portland, 214 miles along the Columbia River, and the lands on the Cascade branch wherever no road has been built.

There is a road along the Columbia River with which this company has made some arrangement, by which they are able to run it in connection with the completed portions of their own road; but as has been decided, properly I think, by Attorney-General Brewster in the case of the Backbone Railroad in Louisiana, that the grant was made not to enable the company to purchase an already constructed road but to construct a road themselves, they are not entitled to the lands coterminous. As they have already secured a road it will be unnecessary to construct one, and hence these lands ought to be forfeited. Then there are also the lands embraced in the uncompleted Cascade branch of the road. The Senate bill also forfeits them.

Mr. HENDERSON, of Iowa. How much land does this Senate bill forfeit?

Mr. OATES. I am not quite sure, but I think somewhere about 4,000,000 acres.

Mr. HERMANN. It embraces the Wallula branch between Wallula and Portland, something over 2,000,000 acres, and the uncompleted Cascade branch, 75 miles in length and over 1,000,000 acres.

Mr. OATES. Now, Mr. Speaker, as I said, I would not have voted for the grant as originally proposed because it was too extensive. It was a dangerous experiment in legislation. But because our predecessors here constituting the Congress of the United States did improper things, if they passed bills which do not meet the approval of gentlemen now occupying these chairs, that is no reason why we should as sound legislators undertake to dig up yesterday and go back and by our erroneous legislation seek to correct the errors of our predecessors after rights and vast interests have vested under such enactments. Let us execute the law as we may find it so far as the equities of the case are concerned, respecting and preserving vested rights. In our disposition of the case let us do nothing which is unjust or detrimental to the vested rights of this company or those holding under them.

The SPEAKER *pro tempore*. The time of the gentleman has expired.

Mr. OATES. I am entitled to five minutes from the gentleman from California [Mr. HENLEY].

I desire now to answer, in brief, the question of the gentleman from Ohio with reference to this being a judicial question. It is true it will probably go to the courts and the law will be there construed; but when we see right before our faces a law so plain to the mind of any lawyer I do not think we should undertake to make ourselves ridiculous by going into this subject and undertaking to make the granting act mean what it does not. It is too late to amend it. Why do what the judiciary may, when it comes to construe this act, if it ever passes, declare to be unconstitutional and void?

Mr. WARNER, of Ohio. There seems to be a difference among the lawyers on that point.

Mr. OATES. Yes; some lawyers never see straight, anyway. I have no right to say what the Senate will do, but I have no objection to indulging in a little speculation. We have the Senate bill before us which has been the result of two weeks careful discussion in that body. Now, if we strike out all of it after the enacting clause and pass the Senate bill in that amended form, as proposed by the House Committee on Public Lands, the presumption is that we will not get any forfeiture at all. If you pass the bill thus amended and the Senate concurs, which is altogether improbable, in my judgment, you pass a law that would not stand a judicial test and would put Congress in the attitude of having done an unwise thing. And although that frequently occurs, I do not take any share in the responsibility on this occasion.

Mr. BUTTERWORTH. Now let me ask the gentleman as to the operation of the joint resolution which authorized the Northern Pacific to execute a mortgage upon its line, &c. It is held by some gentlemen of the committee that the road, by the right they acquired under the authority to mortgage, obtained simply the right to sell the lands and vest the title, if it was earned by the completion of the road.

Mr. OATES. They maintain that by that joint resolution the Government did not give any other rights than the company had before the resolution was adopted.

Mr. BUTTERWORTH. Very well; in other words, they simply took the rights as mortgagor to pass a perfect title if the company earned it in time. I agree that it is a wrong construction; but I would like to hear the gentleman on that point.

Mr. OATES. The effect of the act in question was to subject the defeasible title to mortgage. The sanction of the Government given by the joint resolution to mortgage the lands, prescribing the mode of sale, notice to be given, and quantities to be sold at a time was and is utterly inconsistent with the right to declare a forfeiture of any of the lands mortgaged in pursuance of that law. I have the authorities at hand to prove it, but no time to read them. (Sheppard's Touchstone, 121; Fletcher *vs.* Peck, 6 Cranch, 87, 135–137; McCrary *vs.* Remson, 19 Ala. Rep., 430.)

It was, according to all legal authorities I have ever read, a clear waiver of the right of the Government to declare a forfeiture of the land mortgaged, certainly as against the mortgagees and bondholders.

Mr. CASWELL. Let me call the gentleman's attention also to the fact that the Government has compelled the Northern Pacific road to carry its mails for 80 per cent. of the amount paid to other railroad companies, on the ground that this is a land-grant road.

Mr. OATES. I thank the gentleman for reminding me of the fact. I have the figures in that respect which I want to lay before the House. I have this statement from the Post-Office Department as the average payments for the last three years to this company. The average receipts of the company, without applying the reduction, amount per annum to $265,578.35; by applying the reduction, $212,512.75—showing a difference against the road of $53,065.60, or about 25 per cent.

The statement is as follows:

FOR CARRYING UNITED STATES MAIL.

Average annual receipts of Northern Pacific road under land grant reduction, compared with what receipts would be without reduction.

Average yearly receipts without reduction	$265,578 35
Average yearly receipts with reduction	212,512 75
Difference against road one year	53,065 60

Being 24.97 per cent. less (about 25 per cent.) than would receive without reduction.

Would receive without reduction, ten years	$530,656 00
Would receive without reduction, twenty years	1,061,312 00
Would receive without reduction, thirty years	1,591,968 00
Would receive without reduction, fifty years	2,653,280 00

Well, you run that deduction through a number of years and in fifty years at 25 per cent. it would make the company pay by deductions on account of the land grant $2,653,280, without reference to the probable increase of mails within that period. And under a statute, which if I had the time I would read—supplement to the Revised Statutes, page 171—it is within the power of Congress to make them carry the troops and munitions of war for no compensation at all, and the mails on such terms as Congress may impose. That extends *ad infinitum;* so long as it is a road and this a government, that obligation continues. It is a hard bargain on the part of the company and a good trade for the Government.

Mr. Speaker, the craze of certain gentlemen who want to go such unreasonable and I may say unlawful lengths in forfeiting land grants can be in part, and on patriotic but I think mistaken ground, accounted for by the fear of land monopoly. If we pass the Senate bill with a slight amendment declaring the road completed within the meaning of the joint resolution, so that the time might run and draw to a close the five years at the end of which it declares that the company shall not sell its lands for more than $2.50 per acre, we will then have done something in that direction. When they can not sell for more than those figures there is not much danger that settlers can not find homes on reasonable terms.

Think for one moment how utterly wanting in sense and ignorant of business principles a railroad company would be who did not want any farmers or merchants to live on or near their line? Population creates business for the road. This company, so far as it has sold lands, has sold them at an average of only $3.43 per acre, as their official returns show; and notwithstanding the extravagant statement of the gentleman from California to the contrary, less than $20,000,000 have been realized by the company from this source.

The construction of the Northern Pacific has completely solved the Indian problem and added vastly to the wealth of the country. In a commercial and military aspect its importance can not well be overestimated. It is the only competitor we have in the carrying trade with the Canadian Pacific Railway. In case of war it puts the capital of the nation in quick communication with our Northwestern Territories and the Pacific Ocean. Who would to-day, as a faithful representative, be willing to give up the road—have it blotted out of existence—to have all the land back just as it was before or at the time the grant was made? I would not.

Now, if you forfeit this land, as the Committee on Public Lands propose, you annul and cancel the obligation of this railroad company, their successors and assigns, *pro tanto*, to carry the mails at reduced rates and the troops, munitions of war, and property of the United States, for it is a familiar principle of law—though some lawyers do not always remember it—that a contract when rescinded, canceled, or annulled as to one of the parties is no longer binding on the other.

If, therefore, the substitute becomes a law, the company will be, as to 1,500 miles of its road, completely absolved from its obligations as a land-grant road; and in the course of a few years when the country along its line is filled up with population, and with the deduction now imposed for carrying the mails removed, the company will receive hundreds of thousands of dollars more per annum from the Treasury for that service than they now receive. And in case of war it may receive millions out of the Treasury, where if no forfeiture is declared the company will not receive anything. It is bad policy to declare this sweeping forfeiture, even if we had the power to do it.

What are you going to do with your lands when you forfeit them and take them back from the railroads? Give them to actual settlers? It is very commendable to furnish homes to our young farmers; but while you are doing that would it not be well to so amend existing law that no unnaturalized person could secure a homestead and that no alien should own land within the United States? Under the law an alien can declare his intention to become a citizen and take a homestead the same day. It encourages emigration to this country, which we do not need, and I do not want them invited to come.

The only effectual solution of the labor troubles of the country is to stop emigration or greatly reduce the number and improve the character of those who come, and you will thereby diminish competition and make the battle of life easier for those already here.

The policy of Mr. Jefferson and his party eighty-five years ago to encourage foreign immigration may have been a very wise one then and for many years thereafter, but it has long since served its purpose. We have a sufficiently large population and do not need immigrants from other countries. In the interest of our laboring people I do not wish to invite and import any competition from abroad.

Reduction of Tariff Taxes.

SPEECH

OF

HON. LOUIS E. ATKINSON.

OF PENNSYLVANIA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, August 4, 1886,

On the bill (H. R. 7652) to reduce tariff taxes and modify the laws in relation to the collection of the revenue.

Mr. ATKINSON said:

Mr. SPEAKER: We have before us for consideration a bill "to reduce tariff taxes and to modify the laws in relation to the collection of the revenue." Its author, apparently fearing that its merits will not recommend it, attaches to it the title "tariff taxes" in order to cast upon customs duties the odium which follows taxation, and attempts to invoke this prejudice to aid him when he feels that he and the friends of the measure can not convince the reason. This scheme is an old one, and its inventor can not yet congratulate himself upon its success. In the Forty-eighth Congress we had a bill providing for a horizontal reduction of 20 per cent. upon all customs duties, and it was entitled a bill "to reduce war tariff taxes." It met an early and inglorious death, and the opprobrium it sought to cast upon "tariff taxes" was transferred to its author. Its utter lack of merit became more apparent every day that it was discussed, and its death-blow came from the house of its friends.

In February last another bill labeled "A bill to reduce tariff taxes" was presented to this House and referred to the Ways and Means Committee. The majority of that committee, impelled by the pressure of public sentiment, graciously permitted representatives of the industries which it was proposed to ruin by that bill to be heard, and after its glaring defects and destructive tendencies were exposed it was quietly laid aside as utterly untenable and unjust. But the nightmare of "tariff taxes" still disturbed some of the gentlemen on the other side, and, without hearing the parties whose interest will be injuriously affected, the present bill was sprung upon the House. The title of "tariff taxes," which has twice gone down ignominiously, is still retained, and will, I hope, meet the fate of the other "tariff-tax" propositions that have gone before it.

But is the "tariff tax" the most burdensome tax to our people?

I hold, sir, that there is a worse, a more pernicious, tax than this that is now imposed upon this nation, and which will be greatly increased if this bill becomes a law. The tax to which I refer is the tax we pay to foreign nations for goods that we could and should produce at home. The payment of this "tax" not only takes from us our money or our property, but it impoverishes our people and steals away the employment to which our own mechanics and wage-workers are entitled.

In 1885 we imported—	
Manufactures of wool	$35,776,550
Manufactures of silk	27,467,565
Iron and steel and manufactures of	34,563,689
Manufactures of cotton	27,197,241
Glass and glassware	6,256,194
Earthen, stone, and china ware	4,837,782
Hats, bonnets, &c	4,570 429
Salt	1,519,998
Total	142,189,457

At least half of these imported materials could have been made in our own country, and would in their manufacture have afforded employment and remunerative wages to thousands of our people who were unemployed.

More than $16,000,000 worth of tin plates were imported, while not one dollar's worth was made in the United States. An increase of duties upon these articles would have restrained their importation and have saved to us as a nation the vast sums needed to buy them abroad. The impetus that would have been given to business by the expenditure of $70,000,000 more money among our manufacturers and wage-workers would have made the year 1885 one of the most prosperous, instead of the dullest, commercial years.

But instead of making these things at home our resources were taxed to buy them abroad. They were produced by foreign manufacturers who obtained their capital at lower rates of interest, and by workingmen who worked for lower wages than our own. This was tribute paid to foreigners, and was more onerous than all the "tariff taxes" proposed to be removed by this bill. To-day great is the army of the discontented. The wage-workers all over this broad land are demanding better wages, shorter hours, and steadier employment, and gentlemen on the other side say, "We will give you cheaper salt and woolen and cotton goods, but in doing so we will reduce your wages and throw some of you out of employment by buying abroad some of the goods you formerly made." This is not what is demanded; it affords no relief; it is not a remedy for the evils complained of. The workingman

asks you for bread and you give him a stone. He knows that if goods are sold here at European prices they must either be brought here from Europe or he must work at European wages to produce them for our market.

This bill places wool upon the free-list, and gentlemen say that wool is a raw material and in order to increase our exports and afford employment to men who work in the woolen factories it should be admitted free of duty.

They argue that we can export no woolen goods to foreign countries unless we can cheapen the cost of production, and that this can only be done in one of three ways—by reducing the interest on capital or the wages of labor or the price of the materials used; and from this situation they endeavor to escape by cheapening the materials employed. Will the removal of the duties on wool enable us to manufacture woolen goods for export?

No proof is produced by the advocates of free wool to show that this will be the result; they ask us to take the fact for granted because they say so.

This is easily disproved. We have a full and abundant supply of cotton of every quality desired; it is produced in our own country so that no foreign transportation charges need be paid upon it, and our opportunities to use and manufacture it are superior to those of any other nation, so far as cheapness and abundant supply are concerned. Our operatives engaged in manufactures are as skillful as any in the world and our machinery is equal to the best. Foreign wool will be brought to us with additional transportation charges upon it, and subject to the losses incident to long-distance carriage. Our cotton cloths are in demand in the South American markets where woolen goods are unsuited to the climate, and yet with all our facilities for manufacturing, and with a market near, our exports of manufactured cotton in 1880 were only $10,467,651 out of a total domestic production of $210-900,000 worth of such goods, and in 1885 our exports had risen to only $11,836,591.

The following table shows the extent of our exports of cotton manufactures for eight years:

During the fiscal year ended June 30—	
1877	$10,235,843
1878	11,438,660
1879	10,853,950
1880	9,981,418
1881	13,571,387
1882	13,222,979
1883	12,951,145
1884	11,885,211

From the above statement it will be seen that the average annual value of the exports of cotton manufactures for the last five years (1880-'84) amounted to $12,322,428. On the other hand the average annual value of the imports of manufactures of cotton into the United States during the last five years was $32,-285,650.

If we can not export cotton goods, with all these advantages, how can we succeed better with woolen goods, even if the wool is admitted free of duty and will be cheapened if it is placed upon the free-list? But I do not believe that the removal of the duty upon foreign wool will ultimately reduce its price.

In 1864 the production of wool in the United States was 142,000,000 pounds; in 1874 it was 181,000,000, and in 1884 it was 308,000,000 pounds. We imported in the same years 43,840,154, 54,901,760, and 70,596,170 pounds, respectively. In twenty years our wool production was increased 166,000,000 pounds, while our imports were increased only 26,756,016 pounds. At the same relative rate of supply we will soon furnish our own markets with wool from our own flocks and no foreign wool will be needed.

Quantities of wool produced, imported, exported, and retained for consumption in the United States, from 1864 *to* 1885, *inclusive.*

Calendar year.	Production.	Year ending June 30—	Imports.	Total production and imports.	Exports.			Retained for home consumption.
					Domestic.	Foreign.	Total.	
	Pounds.		*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*
1864	142,000,000	1865	43,841,154	185,840,154	466,182	679,281	1,145,463	184,694,691
1865	155,000,000	1866	76,532,274	231,532,274	973,075	851,645	1,824,720	229,707,554
1866	160,000,000	1867	16,558,046	176,558,046	307,418	618,587	926,005	175,632,041
1867	168,000,000	1868	24,124,803	192,124,803	558,435	2,801,852	3,360,287	188,764,516
1868	180,000,000	1869	39,275,926	219,275,926	444,387	342,417	786,804	218,489,122
1869	162,000,000	1870	49,230,199	211,230,199	152,892	1,710,053	1,862,945	209,367,254
1870	160,000,000	1871	68,058,028	228,058,028	25,195	1,305,311	1,330,506	226,727,522
1871	150,000,000	1872	122,256,499	272,256,499	140,515	2,266,393	2,406,908	269,849,591
1872	158,000,000	1873	85,496,049	243,496,049	75,129	7,040,386	7,115,515	236,380,534
1873	170,000,000	1874	42,939,541	212,939,541	319,600	6,816,157	7,135,757	205,803,784
1874	181,000,000	1875	54,901,760	235,901,760	178,034	3,567,627	3,745,661	232,156,099
1875	192,000,000	1876	44,642,836	236,642,836	104,768	1,518,426	1,623,194	235,019,642
1876	200,000,000	1877	42,171,192	242,171,192	79,599	3,088,957	3,168,556	239,002,636
1877	208,250,000	1878	48,449,079	256,699,079	347,854	5,952,221	6,300,075	250,399,004
1878	211,000,000	1879	39,005,155	250,005,155	60,784	4,104,616	4,165,400	245,839,755
1879	232,500,000	1880	128,131,747	360,631,747	191,551	3,648,520	3,840,071	356,791,676
1880	240,000,000	1881	55,964,236	295,964,236	71,455	5,507,534	5,578,989	290,385,247
1881	272,000,000	1882	67,861,744	339,861,744	116,179	3,831,836	3,948,015	335,913,729
1882	290,000,000	1883	70,575,478	360,575,478	64,474	4,010,043	4,074,517	356,500,961
1883	300,000,000	1884	78,350,651	378,350,651	10,393	2,304,701	2,315,094	376,035,557
1884	308,000,000	1885	70,596,170	378,596,170	88,006	3,015,339	3,103,345	375,492,825

This increase in the production of wool, it will be observed from the table, is very gradual. From its nature it was not susceptible of sudden enlargement. The acreage in cotton or in wheat may vary very greatly in successive years, but with wool there can be no such variation. Our flocks have grown slowly under the intelligent care of their owners, the statistics of this industry being as follows:

	Sheep.
1840	19,311,375
1850	21,723,221
1860	22,471,274
1870	28,477,951
1880	42,192,074
1885	50,360,243

Not only has the production of wool increased actually but relatively to the number of sheep. Owing to favorable and permanent legislation wool-growers have improved their flocks by raising better breeds and thus increased the weight of fleeces. In 1840, according to the census, the average weight of farm fleeces was 1.85 pounds; 1850, 2.42 pounds; 1860, 2.68 pounds; 1880, 4.79 pounds. Says Mr. Dodge, in commenting on this:

"The improvement in density and weight of fleece constitutes the great advantage that the manufacturing demand has made rather than increase of price, which tends to steadiness and cheapness in material and product, by the full development of the manufacture."

Another point is the higher value of American wools. The imported wools of the last five years constitute nearly one-fifth of the quantity manufactured, but it is little more than a tenth of the value of wool manufactured. This shows that under a sufficient tariff American growers have gone into the best qualities of wool. With this enormous increase in production, has the price been increased to the consumer? Not at all. I give the total average prices, in gold, of domestic, fine medium, and coarse-washed fleece wool for each year from 1859 to 1884, and let the reader judge for himself:

	Cents.		*Cents.*
1859	49	1863	52
1860	48	1864	43
1861	39	1865	51
1862	45	1866	43
1867	37	1876	37
1868	33	1877	40
1869	37	1878	33
1870	40	1879	36
1871	48	1880	49
1872	62	1881	42
1873	48	1882	42
1874	47	1883	39
1875	43	1884	33

These tables could be extended back to 1832, and the fact would be revealed that, with two single exceptions, wool has never averaged as low as in 1884; that the tendency has been a steady increase in production, improvement in quality, and decrease in price, and yet, in spite of all, the Democratic party now proposes to destroy by a single blow the important industry that has grown and flourished so under protection by opening our ports to the free wools of Australia and the River Plate country. This amounts to the confiscation of the property of the farmers, and every sheep-grower in the land should protest against it.

The market for fine wool has been almost completely supplied, and the importations have been principally of the coarser wools. In 1885 we imported clothing wools valued at $2,262,824, combing wools valued at $669,604, and carpet and other similar wools valued at $5,947,-495.

Duties more or less protective in their character have been imposed upon wool from the very beginning of this Government, and even the low-revenue tariff of 1846 imposed duties upon imported wool. If foreign wool is now admitted free of duty it is probable that our market will be flooded with wool from abroad and the prices of domestic wool will be broken at once. Wool-growing will become unprofitable and our flocks will be slaughtered, competition between American and foreign wool will cease, and our markets will be surrendered to the foreign product.

The supply of domestic wool no longer competing, the increased de-

mand for foreign wool to supply our own markets will advance the price, and we will find ourselves paying higher prices for inferior foreign wools than we now pay for a better quality of the domestic article. This was the history of prices under the revenue tariff of 1846, and I see no reason to doubt that this result will follow the pernicious legislation imposed by this bill. I have considered this question with no reference to the interest of the wool-growers as producers. But they too have claims upon our consideration.

Mulhall (History of Prices) states that the production of wool has more than doubled since 1850; that is, the increase has been three times faster than that of population, the clip of all nations summing up as follows:

	1850.	1860.	1870.	1883.
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*
Europe	630,000,000	715,000,000	807,000,000	660,000,000
United States	90,000,000	112,000,000	154,000,000	300,000,000
River Plate	25,000,000	56,000,000	167,000,000	305,000,000
Australia	43,000,000	70,000,000	197,000,000	421,000,000
Cape Colony	48,000,000	68,000,000	101,000,000	122,000,000
Total	836,000,000	1,021,000,000	1,426,000,000	1,818,000,000

The marvelous increase in the production of wool in Cape Colony, Australia, and the River Plate country is without a parallel in history. It is due to the fact that in these places land is cheap, the climate is well adapted to sheep-raising, no feed need be provided for winter, and the wages of the natives who are employed in attending the sheep are very low indeed. Against such competition as will come from these countries, if unrestrained, it will be impossible for our farmers to compete; and if wool is placed upon the free-list, as proposed by this bill, its production in this nation will soon practically cease.

In 1880 there were 382 establishments engaged in the manufacture of silk in the United States. The capital invested in the industry was $28,189,400 and 31,337 hands were employed.

In that year raw silk was imported to the value of $12,024,699 and the manufactured product was valued at $34,519,723.

In the same year our imports of manufactured silk were valued at $31,460,947. The raw silk imported was free of duty, while the manufactured silk had charged upon it an average duty of 58.98 per cent. Here we have an instance of free raw materials such as is contended for by the gentleman from New York, with every facility for its manufacture in the United States. The machinery used was of the best class, and skilled workmen, many of whom had learned their trades in the factories of Europe, were employed. The product of the American looms was superior in quality to that imported, and the duty on foreign silks was higher than upon almost any other fabrics. In fact it was the high duty that first induced our people to engage in the manufacture of silk.

But with free raw material, skilled workmen, good machinery, and a high duty on manufactured silks, we were not able to supply our own markets. The theory of the gentlemen on the other side is that with free raw materials our exports of manufactured products will be increased. Why was there not a large exportation of American silks after raw silk was placed on the free-list? But the beneficial influence of a protective tariff was well illustrated in the growth of the silk industry of the United States. In 1870 we imported only three millions' worth of raw silk, while in 1880 our imports were twelve millions, and silk goods were first manufactured here in 1867. Without a protective tariff we would import all the silk goods we use; with protection we manufacture more than one-half. We employ more than thirty-five thousand people at this industry, and add $25,000,000 annually to the value of the raw materials imported before they are placed on the market for consumption.

I believe, sir, that it is our duty to so legislate as to develop the producing forces of this country. "A nation, whether it consume its own products or with them purchase from abroad, can have no more value than it produces." "Without production of value you can neither consume nor buy. *Ex nihilo nihil fit.* Every increase of domestic production is an addition of so much wealth and so much of the means of purchase; any diminution of domestic production is a subtraction of so much wealth and of so much of the means of purchase." These principles are self-evident. Let us apply them. It has become apparent that the markets of the world are already supplied with more of the products of agriculture than will be bought at fair prices. Senator BROWN, of Georgia, has recently said:

> We find that if we should all remain cotton planters as our fathers were cotton planters, we would make, as indeed we have already made, an amount of production that would be beyond the demand. Take the last year as an illustration. While many of our people have gone into other pursuits, diversifying industry, we made more cotton than the world desired or needed at a fair price. Consequently there is no little distress now among the Southern people, because Southern planters have to pay debts, contracted in the expectation of receiving the ordinary price for cotton, with the proceeds of cotton sold at 8 cents per pound instead of 10 cents per pound. This teaches us that we still have too large a proportion of our population engaged in the cultivation of cotton, and that we ought to diversify our industries still more.

The same may be said of wheat. The British Government has expended vast sums of money in India for the purpose of developing wheat-growing in that country, and this expenditure is now bearing fruit. The export of wheat from India in 1872–'73 amounted to 14,385 tons; in 1881–'82 to 2,993,176 tons.

Wages of agricultural laborers in that country are 8 or 9 cents a day, and they can live on rice at a cost of two cents a day. And this vast increase in the amount of wheat produced in that country is due to the low rates of wages and increased and cheapened transportation. This increase in production may go on indefinitely. The area of wheat lands in India in 1884 was estimated by British officials at 26,000,000 acres, and new railway lines now in course of construction or in contemplation will soon add 9,000,000 more. It is believed that the wheat lands of India are as great in amount as in the United States, and that wheat may be grown upon them at a much less cost per bushel.

It thus appears that the markets of Europe may soon be supplied from this source, and that the American market will soon be the only one open to the American farmer.

A great increase in wheat production in this country will reduce the price and make the production of this cereal still less profitable. The market for corn, oats, and cattle can not be much further extended in foreign countries, so that there is little reason to hope that augmented quantities of these products can be successfully marketed abroad.

The American market will be the chief reliance in the future, as now, for the American farmer. In this condition of things is it right to surrender our own markets to foreign wool-growers? Upon almost every farm a flock of sheep can be kept without great expense; they consume for food much that would not otherwise be utilized, and the income from the flock is an item of importance to the farmer, even if he does not devote especial attention to sheep-growing. He should not be left exposed to the unrestrained competition of foreigners. The American farmer bears his full share of the public burdens, he maintains the highways, builds churches and school-houses, and maintains schools, supports the poor, fortunately less numerous here than in free-trade countries, and loyally lends his aid to American institutions. He deserves and should receive all the support and encouragement which we as legislators can give him.

Men denounce what they call the "robber tariff," and use the words "rob," "robber," and "robbing" as glibly as if some part of our people was being wronged and foully dealt with by the rest, and that this was rendered possible by a protective tariff. If any persons feel that they are robbed several modes of relief at once suggest themselves. They may leave the country and go to some other where they will not suffer in this way. Lest this might be considered a hardship it may be proper to call attention to the fact that many millions of people have left the free-trade paradise of Great Britain to escape from an undesirable environment, and it will be no worse for the "robbed" to go abroad than for those who have fled from the blessings of free trade; or to avoid "robbery" they need buy nothing that is manufactured in our factories and workshops and can again start the looms and make coarse cotton and woolen cloths in their houses, as was done when the Southern Confederacy practiced the political economy that gentlemen now preach, or they may start factories for themselves and supply their own wants.

If they will do none of these things, I submit that they have no right to say that because the least progressive States oppose the system which has built up our vast industrial interests, therefore these interests shall be destroyed and the system that made them possible, that built them up and sustains them, shall be abolished. The protective system was not adopted for the benefit of any class or any locality.

The second statute passed by Congress, and which Washington signed, declared in the preamble that it was "necessary for the support of the Government, for the discharge of the debt of the United States, and the encouragement and protection of manufactures, that duties be laid," and with singular appropriateness it was approved July 4, 1789. The declaration of our political independence was declared on July 4, 1776, and this new law was a declaration of industrial independence. It was intended to be the means of restraining, by governmental action, the importation of foreign manufactures, for the encouragement of manufactures and of labor at home, and desired and meant to do this by clothing the new Government with this specific power of regulating commerce.

It was the first measure of the patriots, and it aimed to establish their independence on the basis of the productive industry and the laborious arts of the country. It was not intended to "rob" the colonies or any of them, but it was intended to prevent robbery, to protect and create and foster industries and the capital and labor employed in them. It was a shield and not a sword. It had already been learned in the school of impoverishment and suffering that political independence was not in itself any defense against the aggressions of Great Britain upon the manufacturing industries of the United States. It was seen that industrial independence was necessary to support political independence and national unity, and industrial independence could only be secured by checking or prohibiting the importation of foreign commodities which interfered with the growth and prosperity of domestic manufactures. It was intended to give to our own people an opportunity to develop all the resources of own country, so that they might be supplied, whether in time of peace or of war, by their own efforts, with

everything that the boundless resources of this nation might enable them to produce. Eight years of war were required to secure the political independence of the colonies, and a perpetual contest has since been waged with Great Britain and her allies to maintain our industrial independence.

If the policy of protection was intended to benefit the whole nation and not a part, may I not ask in what manner it has failed to accomplish this result? Under protective tariffs we have built up vast industrial establishments producing a very large proportion of the manufactured articles used in our country and affording employment to great numbers of our people.

It has cheapened every article in daily use and has been the means of securing better wages to the wage-workers of America than are paid in any other country. It has raised the value of agricultural lands, has prevented an excessive production of farm products; it has diversified them and has given to the farmer a home market which consumes 90 per cent. of all he sells off his farm. Gentlemen say, "Let in the products of other nations and thereby let out the products of our own."

What products of other nations shall we admit, and from whence shall they come? We already receive from foreign nations commodities that we do not produce ourselves, and of these the most important, including tea, coffee, and many others, which do not come into competition with our own productions, are admitted free of duty. No legislation is needed to let in these articles; it has been already done. Shall we let in greater quantities of the products of other nations that come into competition with our own than we now receive; and, if so, what shall we admit? Can greater quantities of such articles be admitted without depriving American citizens of employment and American capital of its investments? Surely not. No one can specify a single article now produced in this country which can be supplied from abroad without injury to some one of our own interests, and this injury will not be to the producers alone, but in the end to the consumers as well.

None are exclusively producers but all contribute to consumption also, and few are consumers only, almost all contributing to some form of production. What products of our nation will we let out? That many articles of commerce are produced here that may be sent abroad is true, but that a great demand for them will be created by the admission of products that we can ourselves supply has never been shown, and I believe never will be.

It is not true that if our purchases abroad are increased we can in consequence sell more abroad. Foreign nations will take from us only what they need, that is, what they can not produce themselves, and no more. They consume what they themselves produce in the first instance and go abroad for the deficiency only.

That the nations of whom we buy take from us only such things as they need, and no more, is well shown by the following official tables:

Value of the imports of merchandise from, and of the exports of merchandise to, those countries in our commerce with which the value of imports exceeded the value of exports during the year ending June 30, 1885.

Order.	Countries.	Imports of merchandise into the United States.	Exports of domestic and foreign merchandise from the United States.	Imports in excess of exports.
1	Brazil	$45,263,660	$7,317,293	$37,946,367
2	Cuba	42,306,093	9,006,160	33,299,933
3	Switzerland	13,863,432	46,360	13,817,072
4	British East Indies	17,699,257	4,110,368	13,588,889
5	France	56,935,352	46,708,950	10,226,402
6	China	16,292,169	6,396,500	9,895,669
7	Japan	11,767,956	3,057,415	8,710,541
8	Spanish possessions, other than Cuba and Porto Rico	7,789,756	169,354	7,620,402
9	Hawaiian Islands	8,857,497	2,787,922	6,069,575
10	Porto Rico	6,104,263	1,569,205	4,535,058
11	Central American states	6,409,015	2,762,531	3,646,484
12	Venezuela	6,309,580	3,043,609	3,265,971
13	British West Indies	10,363,381	7,210,879	3,152,502
14	Austria	5,745,580	2,714,537	3,031,043
15	Italy	14,492,908	11,974,417	2,518,491
16	Turkey	3,153,900	1,402,691	1,751,209
17	Dutch East Indies	3,261,671	2,103,066	1,158,605
18	Uruguay	2,734,617	1,682,443	1,052,174
19	Peru	1,764,890	742,105	1,022,785
20	Germany	63,241,753	62,222,791	1,018,962
21	Mexico	9,267,021	8,340,784	926,237
22	All other countries in Africa not elsewhere specified	1,044,204	407,055	637,149
23	British possessions, all other	854,183	369,181	485,002
24	San Domingo	1,461,419	986,701	474,718
25	Greece	596,707	207,822	388,885
26	All other countries in South America not elsewhere specified	753,601	428,011	325,590
27	Greenland, Iceland, and the Faroe Islands	113,847		113,847
28	Roumania	47,485	11,088	36,397
29	French possessions, all other	387,689	382,305	5,354
	Total	358,882,856	188,161,543	170,721,313

From this table it appears that although we bought from Brazil in 1885 $45,263,660 of her products, yet she bought from us only $7,317,293 of our products. It can not be said that she declined to buy from us, because her exports were subjected to the payment of tariff duties. Our purchases from her were chiefly coffee, india-rubber, and hides, all of which were admitted free of duty. The case was simply this: We found it to our advantage to buy her products, while she found it to her interest to buy elsewhere, or else to produce for herself what she might have bought from us. And it likewise appears that we sell vast quantities of materials to other countries and buy much less from them.

Value of the imports of merchandise from, and of the exports of merchandise to, those countries in our commerce with which the value of exports exceeded the value of imports during the year ending June 30, 1885.

Order.	Countries.	Imports of merchandise into the United States.	Exports of domestic and foreign merchandise from the United States.	Exports in excess of imports.
1	Great Britain and Ireland	$136,701,780	$398,103,203	$261,401,423
2	Belgium	8,695,084	26,458,249	17,763,165
3	Netherlands	5,652,749	16,804,263	11,151,514
4	British possessions in Australasia	2,823,393	10,648,192	7,824,799
5	Spain	4,703,945	11,991,068	7,287,123
6	Russia	3,091,449	7,762,746	4,671,297
7	Denmark	350,451	4,538,523	4,188,072
8	Portugal	1,007,150	4,598,346	3,591,196
9	United States of Colombia	2,342,077	5,583,368	3,241,291
10	Hong-Kong	983,815	4,149,311	3,165,496
11	British North American possessions	36,960,541	40,124,907	3,164,366
12	Chili	604,525	2,211,007	1,606,482
13	Gibraltar	3,563	1,261,611	1,258,048
14	Hayti	2,471,436	3,307,307	835,871
15	British Guiana	921,354	1,640,657	719,303
16	Sweden and Norway	2,610,671	3,118,278	507,607
17	Miquelon, Langley, and Saint Pierre Islands	18,686	414,547	395,861
18	Argentine Republic	4,328,510	4,676,501	347,991
19	All other countries in Asia not elsewhere specified	57,082	372,821	315,739
20	Azore, Madeira, and Cape Verde Islands	100,517	415,738	315,221
21	French possessions in Africa	142,856	450,562	307,706
22	Dutch West Indies	386,668	666,842	280,174
23	French West Indies	1,147,515	1,418,973	271,458
24	Danish West Indies	336,303	586,159	249,856
25	All other countries not elsewhere specified	9,142	165,803	156,661
26	British Honduras	218,360	369,753	151,393
27	French Guiana	1,803	110,844	109,041
28	Dutch Guiana	265,339	299,018	33,679
29	Spanish possessions in Africa	127,366	157,987	30,621
30	Liberia	71,085	101,703	30,618
31	British possessions in Africa	1,509,258	1,514,617	5,359
32	Portuguese possessions in Africa		5,307	5,307
	Total	218,644,473	554,028,212	335,383,739

This table shows that in 1885 we sold $261,401,423 more to Great Britain than she bought of us. If the question is asked why did we not buy more from Great Britain, the answer is promptly made, we needed no more of her productions, and, therefore, our purchases were limited to about 33 per cent. of our sales. If all the exports from Great Britain to our country had been free of duty it is doubtful if she would have taken more of our commodities than she did. She bought what she needed, and her purchases were limited by the requirements of her people.

In the course of the debate upon a bill providing for a horizontal reduction of 20 per cent. upon existing duties, offered in the Forty-eighth Congress, a distinguished gentleman upon this floor presented a table showing the increase of wealth per capita in the six New England States, New York, New Jersey, and Pennsylvania, and compared it with the increase shown in the other States of the Union. From this table it appeared that in 1850 these nine selected States had a total population of 8,626,851. In 1860 the same States had 10,500,000; in 1870 this had increased to 12,200,000; while in 1880 it was 14,500,000. All the States of this Union had 23,000,000 in 1850, 31,000,000 in 1860, 38,000,000 in 1870, and 50,000,000 of population in 1880. The percentage of population of the nine States named in 1850 was 37 per cent. of the total.

From 1850 to 1860 the percentage went down from 37 to 33 per cent.; from 1860 to 1880 they changed from 33 to 31 per cent., and from 1870 to 1880 it went down to 28 per cent.

The per capita wealth of these nine States was $360 in 1850; in 1860 it was $527, and from 1860 to 1870, under a protective tariff, it jumped from $527 to $1,243 per head, and went from 1870 to 1880 to $1,353 per head. In 1850 the per capita of the other States was $274; in 1860 it was $506; in 1870 it was $562, and in 1880 it had increased to $672 per head. I print this table with my remarks:

Wealth and population of the United States.

	Population.				Estimated true valuation.			
	1850.	1860.	1870.	1880.	1850.	1860.	1870.	1880.
The United States	23,191,876	31,443,321	38,558,371	50,155,783	$7,135,780,228	$16,159,616,068	$30,068,518,507	$43,642,000,000
Maine	583,169	628,279	626,915	648,936	122,777,571	190,211,600	348,155,671	501,000,000
New Hampshire	317,976	326,073	318,300	346,981	103,652,835	156,310,860	252,624,112	328,000,000
Vermont	314,120	315,098	330,551	332,286	92,205,049	122,477,170	235,349,553	289,000,000
Massachusetts	994,514	1,231,066	1,457,351	1,783,085	573,342,286	815,237,433	2,132,148,741	2,795,000,000
Rhode Island	147,545	174,620	217,353	276,531	80,508,794	135,337,588	296,965,646	420,000,000
Connecticut	370,792	460,147	537,454	622,700	155,707,980	444,274,114	774,631,524	852,000,000
New York	3,097,394	3,880,735	4,382,759	5,082,871	1,080,309,216	1,843,338,517	6,500,841,264	7,619,000,000
New Jersey	489,555	672,035	906,096	1,131,116	200,000,000	467,918,324	940,976,064	6,433,000,000
Pennsylvania	2,311,786	2,906,215	3,521,951	4,282,891	722,486,120	1,416,501,818	3,808,340,112	5,393,000,000
Total for nine States	8,626,851	10,594,268	12,298,730	14,507,407	3,130,989,851	5,591,607,424	15,290,032,687	19,630,000,000
Per cent. of population and valuation of the nine selected States	37	33	31	28	43.88	34.60	50.85	44.98
Per capita wealth of the nine selected States	$363	$527	$1,243	$1,353				
All other States	14,565,025	20,849,053	26,259,641	35,648,376	$4,004,790,377	$10,568,008,644	$14,778,485,820	$24,012,000,000
Per capita wealth, all other States	$274	$506	$562	$673				

From these facts he drew the inference that the increase of wealth in the nine selected States which he termed "unnatural" was the "direct result of the protective tariff system of which they are the beneficiaries!"

Let us examine these figures and see if he drew a proper deduction from them. The State of New York has long been the financial and commercial center of this nation. The imports and exports landed and shipped from the wharves of New York city, Philadelphia, and Boston largely exceeded those at all the other ports of the United States. Was not the profit derived from this source alone an important factor in making up the gross per capita of which the excess is complained of?

New York city was the railroad center of the continent and held vast investments in railroad and other stocks. The riches of her wealthiest citizens did not come from the manufacturing interests that he complains are fostered by protective tariffs, but from other sources. If he had investigated the subject with care he would have found that few of the great fortunes accumulated by citizens of these cities were made in manufacturing enterprises, but most of them had their origin in speculation and trade. And in this respect America under protection differs from England under free trade. Here the fortunes of the men engaged in manufacturing are moderate, while a large proportion of their employés are the owners of the houses in which they live, and their earnings are sufficient to furnish them with good food, comfortable clothing, and the means of educating their children. In England vast fortunes are accumulated by the manufacturers, while their workmen never accumulate enough from their earnings to buy land. They are poorly fed and clothed, and their children are uneducated, because of the insufficient means of their parents and because they are put to work at an early age in order to help out the scanty wages of their parents. "In your fifteen years' experience," said a gentleman to Inspector Wheatley, "in which your jurisdiction has extended all over the borough of Leeds, embracing, as it does, three hundred and twenty thousand of the most thrifty industrial population in England, did you ever know the ordinary workingman to own the house in which he lived and the ground on which it stands? I mean the skilled artisan, the mechanic, the engineer, the carpenter, the mason, and the like." "If I was on my oath in court, sir," said the inspector, "I should be obliged to answer, in my experience, never."

But it is admitted that a part of the increased wealth per capita is due to the profits of manufacture. In the nine States named most of the manufactured goods consumed in the United States in the last twenty years were made. Vast sums of money have been expended in the construction of buildings and machinery, and still greater sums have been distributed as wages to the toiling thousands who have in these nine States contributed the product of their labor to the people of the United States. Keen competition with each other kept the profits of the manufacturers within reasonable bounds, and few who advocate a reduction of duties will go upon the platform and declare that the wages paid the workingmen were excessive. The products were sold at reasonable rates, and lower in almost every instance than the same goods could have been bought in the low-tariff period prior to 1860.

COMPARISON OF PRICES.

[From the New York Dry Goods Chronicle.]

It is interesting in the light of tariff discussions to compare the price of staple goods in 1860 with those current in 1886. Free-traders claim that our protective tariff has increased the cost of goods to consumers, whereas the facts are all the other way. Previous to the civil war tariff duties were very low as compared with the duties since imposed. According, therefore, to free-trade arguments, prices should increase in proportion to the increase of duties. The following table of jobbing prices, in cents, will best explain itself in connection with this matter.

Cotton goods.	1860.	1886.
Bleached cottons:		
New York Mills 4-4	15½	10¼
Wamsutta 4-4	13½	10½
Utica Nonpareil 4-4	12	10½
Lonsdale 4-4	11⅛	7¼
Hill 4-4	11½	7½
Utica 4-4	15½	10
Utica 6-4	18½	16
Utica 9-4	30	22½
Utica 10-4	33	25
Unbleached cottons (Atlantic A 4-4)	9	6½
Tickings (Amoskeag A C A)	16	12½
Drills (standard brown)	8⅜	6½
Ginghams (Lancaster)	10½	7½
Prints (medium fancy)	9⅛	5½
Print cloths:		
64 by 64 picks	5⅜	3½
56 by 60 picks	5½	2¾

Middling cotton in 1860 was 10 to 11 cents; in 1886, from 9¼ to 9½ cents.

If a profit is realized in the manufacture of goods for the American market to whom would the gentlemen who advocate a reduction of duties have it go? Would they distribute it between the foreign shipowner, who conveys crude products from America to Europe and brings back manufactured goods, and the man who manufactures them abroad, or would they prefer that the profit should be made and kept at home? If to the foreigner, it goes to build up the prosperity of our commercial rivals, whose interests are inimical to ours; if to the American, it becomes a part of the wealth of the nation. Its owner improves and builds up and beautifies our towns and cities; he contributes to the support of schools and churches and libraries and gives employment to thousands of our citizens who are dependent upon their labor for their support. It is a principle of protection that the laborers of a nation are entitled to their own market, and they should not be undersold by foreign competitors working for pauper wages and contributing nothing to the support of our nation or its institutions.

But if the wealth of these nine States has been augmented by the encouragement given to their industries by protective duties they do not enjoy these benefits exclusively. The same shield which protects them from overthrow is thrown around the same industries in other States; and if an increase of wealth flows from them in the nine States named will it not inevitably follow their establishment in the other twenty-nine States? The answer has been already given. Manufactories of cotton and iron and agricultural implements are springing up all over the South, and the riches that she lost by her suicidal attempt at secession will be restored by the new prosperity that the lately introduced industrial agencies will bring.

Instead of producing only raw cotton to be sent to the other side of the globe to be converted into fabrics to be returned to clothe her own people, may we not look forward to the time when she will reap not only the profit from the cultivation of her cotton but the profit of its manufacture also? The policy that I advocate will develop her industrial forces, will give value to the coal that lies in her unopened mines and the iron ore heretofore lying valueless in her mountains, and we will have not only a new Birmingham but a new Leeds, a new Sheffield, and a new Glasgow, differing from the old in having a well-paid, a well-fed, a well-educated, and a contented and prosperous industrial population. And for this we may not have long to wait.

That a reduction in the rates of duty will not improve business nor the condition of our wage-workers is well shown by the present condition of Great Britain. Business depression prevails there to a greater

extent than here. Vast numbers of men are out of employment from this cause, and destitution and pauperism seem to be increasing. Late consular reports show that in 1885 trade, instead of reviving, "has crept along the ground" and in several important departments has become increasingly lifeless as the months went by. The consul at Birmingham, in England, reporting to the State Department the condition of trade at that place for 1885, says:

DEPRESSION OF TRADE AND CAUSES THEREOF.

There is no question that manufacturing interests are in a seriously depressed state, and the volume of trade materially lessened, coupled with smaller profit on most goods made, and my judgment is not wholly based on the very appreciable diminution in volume and amount that passes through this consulate to the United States, but by conversation with and through inquiry of the many prominent manufacturers I have met. No further testimony need be adduced as proof of the depression here when I state that there are in this city to-day twenty-five thousand unemployed workmen. And I am convinced that so far as this demoralization of trade and manufacture relates to this immediate district and its industries, it is going to stay and become permanent, subject, perhaps, to spasmodic periods of prosperity arising from wars or foreign complications rendering other countries incapable of entering into active competition.

There are many reasons why England should have so long maintained a supremacy in many of her manufacturing and industrial interests, and equally good reasons why it can not be maintained, and why so many factories are idle and trades languishing.

And this is the story from almost all the consular districts in that country. The decline in ship-building is shown by the following table:

Vessels built in the United Kingdom (exclusive of vessels built for foreigners).

Years.	Steam-vessels.		Sailing vessels.	
	Number.	Tons.	Number.	Tons.
1882	610	521,575	362	145,700
1883	806	621,758	368	146,818
1884	570	335,208	431	162,234

One of our consuls alludes to it as follows:

Ship-building has not been brisk in Aberdeen for months, and many workmen in this and kindred branches have been idle. The shipping trade has also been very unremunerative, and, in consequence, some vessels have been laid up for a year.

This depression embraces almost all industries, and is followed by a reduction of wages as well as diminished prices, the consul for Dundee reporting:

Employers and employed have severely felt and are still feeling the effect of this extraordinary state of matters which has so long existed and is still continuing. They are experiencing a condition of commercial inactivity which for months has been gradually getting worse, and unfortunately there is very little sign of improvement. Even with the very cheap raw material that has been obtainable during the year, and the low wages that have been paid to workers, jute-mill owners declare they have been running their works for some time back at a loss, owing to the small prices that their manufactured productions realized. In consequence thereof the operatives have been compelled to sympathize practically with their employers by submitting to reductions of wages, amounting in all to about 10 per cent. Some of the employés in the Dundee mills refused to accept lower pay and struck work, but as the strike was not general these malcontents prudently gave in to their master's proposals. There were also reductions of wages that took place in 1884, so that jute-workers now receive from 15 to 20 per cent. less remuneration than they did two to three years ago.

Men are daily flying from this Utopia of free trade and seeking homes in countries where "robber" tariffs enable them to establish comfortable homes and rear and educate their children. The statistics of emigration from Britain for two years are as follows:

EMIGRATION AND IMMIGRATION.

Number of emigrants of British origin only to countries out of Europe.

Destination.	1883.	1884.
British colonies in North America	44,185	31,134
United States	191,573	155,280
Australia and New Zealand	71,264	44,255
Other places	13,096	11,510
Total	320,118	242,179
Of foreign and unknown origin	77,039	63,722
Total emigration	397,157	303,901

"The total number of natives of Ireland who left the Irish ports from May 1, 1851, to December 31, 1879, was 2,541,670, comprising 1,356,539 males and 1,185,131 females. Emigration from Ireland has gone on steadily increasing from 37,587 in 1879 to 95,517 in 1880, 89,566 in 1882 and 108,724 in 1883. In 1884 only 75,863 left Irish ports." Remarkable as this depopulation of one of the richest agricultural countries of the world appears, the statistics of pauperism of the United Kingdom are equally surprising and deplorable.

Paupers, exclusive of vagrants, in receipt of relief in the several unions and parishes and boards of guardians for 1884.

Countries.	Adult, able-bodied.	All others, exclusive of vagrants.	Total.		
			In-door.	Out-door.	Total.
England and Wales	102,427	681,728	190,184	593,971	784,155
Scotland					90,536
Ireland	7,416	41,493		57,039	106,717
Total					981,408

The poor rates of 1884.

England and Wales	$76,763,455
Scotland	4,635,450
Ireland	7,019,050
Total	88,417,955

The declaration of one of the leading statesmen of this country (England) lately made in a public political address, that one in every ten or fifteen is wholly or partially dependent upon charity for the necessaries of life, may be, as it is to be hoped, somewhat exaggerated; yet the fact that 981,408 persons, 1 in 36, are registered as paupers, is sufficiently appalling, and leads to the belief that the statement to which allusion has been made may be approximately true.

In England—	Inhabited houses.	Uninhabited houses.
In 1871 there were	4,259,117	261,345
In 1881 there were	4,831,519	386,676

No comment of mine can add a darker hue to this somber picture. It speaks for itself. Although the condition of our wage-workers is not what it should be, nor what it would be if a revision of the tariff were made in the interests of labor, and duties were increased upon many articles which could be produced here, but which are now imported in excessive quantities, still we have no persons who are classified as "adult able-bodied paupers."

Our almshouses contain only the old and infirm and those who are disabled. No emigrants leave our shores to avoid pauperism and want, and no States are depopulated where the land is ample to maintain the people. We have no uninhabited houses; I mistake, there are in one of the cities of my own State uninhabited houses.

The bright little city of Chester, until lately as busy and prosperous as any place in this country, has many vacant houses now. Formerly they were occupied by intelligent, industrious, and prosperous mechanics, whose daily toil received fair compensation from a skilled shipbuilder. But the reckless hand of a Democratic Secretary of the Navy, wantonly and of his own wrong, drove John Roach out of business and his workmen out of employment, and uninhabited houses stand to mark the places where before were happy homes. And the wanton attacks of the free-traders of this House will, if successful, still further increase the number of "uninhabited houses."

But a new factor has suddenly sprung into the arena and has challenged the advocates of cheapness to a trial of strength. The workingmen who have seen their wages reduced and their hours of work increased, while the worship at the altar of the moloch of cheapness has been going on, have organized and are asserting their rights with no uncertain voice.

They appreciate their power and are determined to exercise it in a way that will prevent the cheapening of men and women.

They have observed that cheap pig-iron and cheap coal can only be secured by reducing their wages, and they have determined that these things come at too high a price if to obtain them the men who produce them must be degraded. And they intend to see to it themselves that they shall be treated as men, and that their employers shall not be exposed to an unfair competition with those who are at liberty to treat their laborers as slaves or machines. The demand for a fair day's wages for an honest day's work has gone up, and woe be to the men who resist it.

Pauper labor and cheap capital may keep down the prices of manufactured goods abroad, but our people will not submit to be pauperized at the nod and beck of a set of theorists, who see merit only in cheapness, who toot the praises of foreigners and care more apparently for the thing made than for the man who made it. The men who assail our industries say let us remove the duties and secure cheap coal and cheap iron ore and cheap rice and oats and hay and salt and corn and potatoes, and then we can make cheaper iron and obtain cheaper food and supplies.

But in this cheapening process they lose sight of the thousands who will be thrown out of employment by the competition of foreign rivals, of the diminished demand for home productions, of the idleness and misery and want into which so many of our own people will be plunged.

The Moloch of cheapness can only be satisfied in this way, but they are willing to make the sacrifice. They fall into the error of believing that they can destroy the interests of a part of our people and thereby benefit the rest. This is a grave mistake. "The interest of every part and of every class of persons, whether in one part of the country or another, whether industrious or not industrious, so sympathizes and is so bound up and intertwined with that of the whole country that none can be injured without the blow affecting the whole country."

APPENDIX.

[Extracts from the messages of the Presidents of the United States, and other official documents, showing the principles upon which the revenue tariff of 1846 was based, the condition of the country at the time of its adoption, and the bankruptcy, both individual and national, which resulted from it.]

[Polk's first annual message, December 2, 1845.]

The attention of Congress is invited to the importance of making suitable modifications and reductions of the rates of duty imposed by our present tariff laws. The object of imposing duties on imports should be to raise revenue to pay the necessary expenses of Government. Congress may undoubtedly, in the exercise of a sound discretion, discriminate in arranging the rates of duty on different articles; but the discriminations should be within the revenue standard, and be made with the view to raise money for the support of the Government.

It becomes important to understand distinctly what is meant by a revenue standard, the maximum of which should not be exceeded in the rates of duty imposed. It is conceded, and experience proves, that duties may be laid so high as to diminish or prohibit altogether the importation of any given article, and thereby lessen or destroy the revenue which, at the lower rates, would be derived from its importation. Such duties exceed the revenue rates, and are not imposed to raise money for the support of the Government.

If Congress levy a duty for revenue of 1 per cent. on a given article it will produce a given amount of money to the Treasury, and will incidentally and necessarily afford protection or advantage to the amount of 1 per cent. to the home manufacturer of a similar or like article over the importer. If the duty be raised to 10 per cent. it will produce a greater amount of money and afford greater protection. If it be still raised to 20, 25, or 30 per cent., and if as it is raised the revenue derived from it is increased, the protection or advantage will also be increased; but if it be raised to 31 per cent., and it is found that the revenue produced at that rate is less than at 30 per cent., it ceases to be a revenue duty. The precise point in the ascending scale of duties at which it is ascertained from experience that the revenue is greatest is the maximum rate of duty which can be laid for the *bona fide* purpose of collecting money for the support of the Government. To raise the duties higher than that point and thereby diminish the amount collected is to levy them for protection merely and not for revenue.

[Extract from Polk's third annual message, December 7, 1847.]

During the past year the most gratifying proofs are presented that our country has been blessed with widespread and universal prosperity. There has been no period since the Government was founded when all the industrial pursuits of our people have been more successful or when labor in all branches of business has received a fairer or better reward.

The act of the 30th of July, 1846, "reducing the duties on imports," has been in force since the 1st of December last (1846), and I am gratified to state that all the beneficial effects which were anticipated from its operation have been fully realized. The public revenue derived from customs during the year ending on the 1st day of December, 1847, exceeds by more than $8,000,000 the amount received in the preceding year under the operation of the act of 1842, which was superseded and repealed by it.

For the purpose of increasing the revenue, Mr. Polk recommends the imposition of duties upon tea and coffee.

[Polk's fourth annual message, December 5, 1848.]

Severe commercial revulsions abroad have always heretofore operated to depress, and often to affect disastrously, almost every branch of American industry.

The temporary depression of a portion of our manufacturing interests is the effect of foreign causes, and is far less severe than has prevailed on all former similar occasions.

[Fillmore's first annual message, December 2, 1850.]

I strongly recommend a modification of the present tariff, which has prostrated some of our most important and necessary manufactures, and that specific duties be imposed sufficient to raise the requisite revenue, and making such discrimination in favor of the industrial pursuits of our own country as to encourage home production, without excluding foreign competition.

It is also important that an unfortunate provision in the present tariff which imposes a much higher duty upon the raw material that enters into our manufactures than upon the manufactured article should be remedied.

A duty laid upon an article which can not be produced in this country, such as tea and coffee, adds to the cost of the article, and is chiefly or wholly paid by the consumer.

But a duty laid upon an article which may be produced here stimulates the skill and industry of our own country to produce the same article, which is brought into the market in competition with the foreign article, and the importer is thus compelled to reduce his price to that at which the domestic article can be sold, thereby throwing a part of the duty upon the producer of the foreign article. The continuance of this process creates the skill and invites the capital which finally enables us to produce the article much cheaper than it could have been introduced from abroad, thereby benefiting both the producer and the consumer at home. The consequence of this is, the artisan and the agriculturist are brought together, each affords a ready market for the produce of the other, and the whole country becomes prosperous; and the ability to produce every necessary of life renders us independent in war as well as in peace.

[Fillmore's second annual message, December 2, 1851.]

The values of our domestic exports for the last fiscal year exhibit an increase of $43,646,322. At first view, this condition of our trade with foreign nations would seem to present the most flattering hopes of its future prosperity.

An examination of the details of our exports, however, will show that the increased value of our exports for the last fiscal year is to be found in the high price of cotton which prevailed during the first half of that year, which has since declined about one-half.

The value of our exports of breadstuffs and provisions, which it was supposed the incentive of a low tariff and large importations from abroad would have greatly augmented, has fallen from $68,701,921 in 1847, to $26,051,373 in 1850, and to $21,848,653 in 1851, with a strong probability, amounting almost to a certainty, of a still further reduction in the current year.

The aggregate values of rice exported during the last fiscal year, as compared with the previous year, also exhibit a decrease amounting to $460,917, which, with a decline in the values of the exports of tobacco for the same period, make an aggregate decrease in these two articles of $1,156,751.

The policy which dictated a low rate of duties on foreign merchandise, it was thought by those who promoted and established it, would tend to benefit the farming population of this country by increasing the demand and raising the price of agricultural products in foreign markets.

The foregoing facts, however, seem to show incontestably that no such result has followed the adoption of this policy.

On the contrary, notwithstanding the repeal of the restrictive corn laws in England, the foreign demand for the products of the American farmer has steadily declined, since the short crops and consequent famine in a portion of Europe have been happily replaced by full crops and comparative abundance of food.

The exports of specie to liquidate our foreign debt during the past fiscal year have been $24,263,979 over the amount of specie imported.

The export of specie during the first quarter of the present fiscal year have been $14,651,827. Should specie continue to be exported at this rate for the remaining three-quarters of this year, it will drain from our metallic currency during the year ending 30th June, 1852, the enormous amount of $58,607,308.

[Fillmore's third annual message, December 6, 1852.]

Without repeating the arguments contained in my former message in favor of discriminating protective duties, I deem it my duty to call your attention to one or two other considerations affecting this subject. The first is, the effect of large importations of foreign goods upon our currency. Most of the gold of California, as fast as it is coined, finds its way directly to Europe in payment of goods purchased. In the second place, as our manufacturing establishments are broken down by competition with foreigners, the capital invested in them is lost, thousands of honest and industrious citizens are thrown out of employment, and the farmer, to that extent, is deprived of a home market for the sale of his surplus produce. In the third place, the destruction of our manufactures leaves the foreigner without competition in our market, and he consequently raises the price of the article sent here for sale, as is now seen in the increased cost of iron imported from England. The prosperity and wealth of every nation must depend upon its productive industry.

The farmer is stimulated to exertion by finding a ready market for his surplus products, and benefited by being able to exchange them, without loss of time or expense of transportation, for the manufactures which his comfort or convenience requires.

This is always done to the best advantage where a portion of the community in which he lives is engaged in other pursuits.

But most manufactures require an amount of capital and a practical skill which can not be commanded unless they be protected for a time from ruinous competition from abroad. Hence the necessity of laying those duties upon imported goods which the Constitution authorizes for revenue in such a manner as to protect and encourage the labor of our own citizens. This policy would place the mechanic by the side of the farmer, create a mutual interchange of their respective commodities, and thus stimulate the industry of the whole country, and render us independent of foreign nations for the supplies required by the habits or necessities of the people.

[Pierce's third annual message, December 31, 1855.]

The principle that all moneys not required for the current expenses of the Government should remain for active employment in the hands of the people, and the conspicuous fact that the annual revenue from all sources exceeds by many millions of dollars the amount needed for a prudent and economical administration of public affairs, can not fail to suggest the propriety of an early revision and reduction of the tariff of duties on imports. It is now generally conceded that the purpose of revenue alone can justify the imposition of duties on imports; that in readjusting the impost tables and schedules, which unquestionably require essential modification, a departure from the principles of the present tariff is not anticipated.

[Buchanan's first annual message, December 8, 1857.]

The earth has yielded her fruits abundantly, and has bountifully rewarded the toil of the husbandman. Our great staples have commanded high prices, and, up till within a brief period, our manufacturing, mineral, and mechanical occupations have largely partaken of the general prosperity. We have possessed all the elements of material wealth in rich abundance, and yet, notwithstanding all these advantages, our country, in its monetary interests, is at the present moment in a deplorable condition. In the midst of unsurpassed plenty in all the productions of agriculture and in all the elements of national wealth we find our manufactures suspended, our public works retarded, our private enterprises of different kinds abandoned, and thousands of useful laborers thrown out of employment and reduced to want.

The revenue of the Government, which is chiefly derived from duties on imports from abroad, has been greatly reduced, while the appropriations made by Congress at its last session for the current fiscal year are very large in amount.

Under these circumstances a loan may be required before the close of your present session; but this, although deeply to be regretted, would prove it to be a slight misfortune when compared with the suffering and distress prevailing among our people. With this the Government can not fail to deeply sympathize, though it may be without the power to afford relief.

[Buchanan's second annual message, December 6, 1858.]

When Congress met in December last the business of the country had just been crushed by one of those periodical revulsions which are the inevitable consequence of our unsound and extravagant system of bank credits and inflated currency. With all the elements of national wealth in abundance, our manufactures were suspended, our useful public and private enterprises were arrested, and thousands of laborers were thrown out of employment and reduced to want. Universal distress prevailed among the commercial, manufacturing, and mechanical classes. Our manufacturers everywhere suffered severely, not because of the recent reduction of the tariff of duties on imports, but because there was no demand at any price for their productions. The people were obliged to restrict themselves in their purchases to articles of prime necessity.

In the general prostration of business the iron manufacturers in different States probably suffered more than any other class, and much destitution was the inevitable consequence among the great number of workmen who had been employed in this useful branch of industry. There could be no supply where there was no demand. The same consequences have resulted from similar causes to many other branches of useful manufactures. It is self-evident that where there is no ability to purchase manufactured articles, these can not be sold, and consequently must cease to be produced.

[Buchanan's third annual message, December 19, 1859.]

It will appear from the report of the Secretary of the Treasury that it is extremely doubtful, to say the least, whether we shall be able to pass through the present and the next fiscal year without providing additional revenue. This can only be accomplished by strictly confining the appropriations within the estimates of the different Departments, without making an allowance for any additional expenditures which Congress may think proper in their discretion to authorize, and without providing for the redemption of any portion of the $20,000,000 of Treasury notes which have been already issued.

Should such a deficiency occur, as I apprehend, I would recommend that the necessary revenue be raised by an increase of our present duties on imports.

The credit of the Government had been undermined by the preceding administration. The revenues had withered away without concern,

the public indebtedness had been increased, and money could be borrowed only at very high rates. When Congress met in December "the Treasury was empty, bankrupt. There was no money to pay the public creditors, who were then pressing for payment. There was not money to even pay members of Congress." The Secretary of the Treasury had authority to issue ten millions of Treasury notes at par to creditors or others at the rates of interest offered by the lowest bidder after public advertisement of not less than ten days. On the 18th of December he invited proposals for $5,000,000 of these notes. Offers at 12 per cent. or less were made for $1,831,000. The remaining offers were for $465,000 at rates ranging from 15 to 36 per cent. He did succeed in raising the small sum of $5,000,000 at 12 per cent. interest. (See letter on condition of the Treasury January 18, 1861, Mis. Doc. No. 20, Thirty-sixth Congress, second session.)

[Buchanan's fourth annual message, December 9, 1860.]

It is now quite evident that the financial necessities of the Government will require a modification of the tariff during your present session for the purpose of increasing the revenue. In this aspect, I desire to reiterate the recommendation contained in my last two annual messages in favor of imposing specific instead of ad valorem duties on all imported articles to which these can properly be applied. From long observation and experience, I am convinced that specific duties are necessary, both to protect the revenue and to secure to our manufacturing interests that amount of incidental encouragement which unavoidably results from a revenue tariff.

[Extract from the letter of John A. Dix, Secretary of the Treasury, to Hon. John Sherman, chairman of the Committee on Ways and Means, January 18, 1861.]

In answer to your inquiry as to the facts connected with the negotiation of the recent sale of Treasury notes, and how the proceeds were applied, I have the honor to state, that under the notice issued on the 18th ultimo inviting proposals for the exchange of $5,000,000 for Treasury notes, offers at 12 per cent. or less were made only to the amount of $1,831,000. Offers to exchange $465,000 for notes bearing interest at rates ranging from 15 per cent. to 36 per cent. were also received. The offers at 12 per cent. were accepted; those above that rate were declined.

Immediately after the decision of the Department on those offers had been made, the assistant treasurer at New York advised the Department that certain parties would take the balance through the Bank of Commerce at 12 per cent. This proposition was accepted on condition that the amount required to make up the $5,000,000 be deposited without delay.

The whole amount has been applied to the payment of overdue Treasury notes and other pressing demands on the Treasury.

(See Miscellaneous Document No. 20, Thirty-sixth Congress, second session.)

Repeal of Timber-Culture, Pre-emption, and Desert-Land Laws.

SPEECH

OF

HON. PRESTON B. PLUMB,

OF KANSAS,

IN THE SENATE OF THE UNITED STATES,

Wednesday, June 16, 1886.

The Senate, as in Committee of the Whole, having under consideration the bill (H. R. 7887) to repeal all laws providing for the pre-emption of the public lands, the laws allowing entries for timber-culture, the laws authorizing the sale of desert lands, and for other purposes—

Mr. PLUMB said:

Mr. PRESIDENT: There is some force in what my colleague has said about the relative merit of the settlement laws as they now stand upon the statute-book; but the Committee on Public Lands in adopting the amendment now before the Senate took into consideration the fact that there are considerable areas of land lying in the Rocky Mountains or in the adjacent region which can only be made agriculturally productive by the artificial introduction of water upon them, and that it was necessary for those areas to be put under cultivation in order that the adjacent population engaged in mining might thereby be supplied with food. It would be well enough of course in a way to say that we would not permit any more land to be entered under the desert-land law because frauds have been committed under that law as heretofore administered; but to say that none of the land lying in these secluded regions shall be so entered as to secure its reclamation and cultivation would be to compel the population engaged in other pursuits than agriculture to go a long distance to obtain their food supplies.

This is very material to them, and inasmuch as this land can not be entered under the homestead law, that is to say, in the absence of water artificially put upon it it can not be made the subject of entry under the homestead law, it was deemed wise to so amend the law as that it might be entered under conditions of reclamation, so that the productive area of the country might be increased and the local needs I have spoken of might be answered.

There would be no wisdom, I think, in saying that a tract of land upon which moisture never would be naturally precipitated to an extent to make cultivation possible should be left entirely untouched, never to be entered, continuing in a state of nature, when by a proper provision of law the land might be made cultivable by the introduction of water thereupon by means of a canal or ditch.

It is true that it is not necessarily nor in any obvious way the purpose of the land laws to stimulate production or to increase the productive area of the country simply for the purpose of adding to its aggregate production, but it is the wise and proper purpose of the law to so dispose of the public lands as that homes may and necessarily will be made upon them, and chiefly by those persons who, lacking in means for the purchase of land at even a moderate price, would otherwise be unable to procure sufficient land for the purpose to which I have referred and with which lands this amendment deals. Lands which require to be irrigated before they can be cultivated can not be homesteaded in the ordinary way. The average homesteader is too poor to dig the necessary ditch. It must be the result of associated effort, and the provision as now reported authorizes the individual settlers to combine for this purpose.

I do not agree with my colleague that frauds in the entry of public land under the desert-land act have been so great as he has stated them to be. No doubt there have been some, but the committee have reported such amendments as will wholly prevent them in the future.

Mr. INGALLS. I spoke only relatively.

Mr. PLUMB. There has been exaggeration with reference to the whole question of frauds in the entry of public lands. So much has been said and widely circulated to the effect that a large majority of public-land entries were fraudulent, that the public mind has become aroused and a feeling engendered which is very unjust to the frontier communities and to the individual entryman. There is danger that this feeling may contribute to the passage of unwise and injurious legislation.

The pre-emption law was passed on the 12th day of September, 1841. Under the operation of that law the States of Indiana, Illinois, Iowa, Wisconsin, Michigan, Minnesota, Kansas, Nebraska, California, and Oregon have been mainly settled. Dakota, Washington, and the other Territories have had the benefit of it. It has applied also to the States of Missouri, Arkansas, Louisiana, Mississippi, and Florida, and large areas have been and are still being entered under it in those States. That its administration has been accompanied by some frauds, even from its inception, I have no doubt. This fraud has not, however, been of a kind which involved serious moral turptitude and conscious wrongdoing, but only an evasion of the strict terms of the law, or rather I might say of the rules and regulations established by the Land Office for its execution; yet that the law has fairly accomplished its purpose the comparatively dense populations of these States will show. They contain more than one-half the population of the United States and contribute an equal proportion to the sum total of its agricultural production. A large proportion of this result may be fairly credited to the pre-emption law.

Certainly these results do not warrant the charge of gross fraud in the administration of the act of September, 1841.

I know something about the operation of the pre-emption law in the State of Kansas. That has gone on largely under my observation during the last thirty years. It is not a fact of importance to any one except myself, but still one which I at least may be permitted to here recall, that it will be thirty years to-morrow since I first set foot on Kansas soil. I was myself one of the beneficiaries of the act of September, 1841. Among my first ventures was the publication of a newspaper in a small town—no, not a town except in expectancy.

Like everybody else there I wanted a tract of land. That was one of the principal attractions, and so I located upon a quarter-section under the pre-emption law, built a shanty upon it, broke some acres of ground, planted some trees, cultivated a little corn, and so on, and made that, according to the manner in which men then operated, my home, and thereby in due time, as the result of such settlement and the payment of $200 in money, borrowed at 3 per cent. per month interest, obtained 160 acres of the public domain. Under the latter-day theory in regard to this law, under the general characterization which has been sent abroad all over the country by official sanction and utterance and in that sensational way which is characteristic of that which finds its way from official circles to the public prints concerning the land entries, I have no doubt that I committed a fraud upon the law; and still, in the sense in which it was then viewed and of the universal practice prevailing, I made my home upon that land, not a very good one, but as good a home as a person as poor as I was could make there or elsewhere. It was all the home I had, though I was printing a newspaper in a hamlet, now grown to be a city, a mile away.

When I had complied with the law as then understood by land officers and people, I entered the land and did not thereafter reside upon it, and in time the shanty I erected burned down. According to the practice and according to the law, residence after entry was not necessary, and I was not the only entryman whose needs were such that he was compelled to borrow money with which to enter his land and then work at his trade or other calling to earn money with which to pay the debt. Fortunately I was able to pay the debt I incurred and save my land until more than twenty years later I sold it to one more able to hold than I, and who paid me a fair price for it, but not enough to recompense for original cost, improvement, interest, and taxes. Generally speaking there was no speculation in lands procured at that early day, at least in that locality.

Under the administration of the pre-emption law not only were the

lands in Kansas settled upon under it in a large majority of cases in the utmost good faith for the purpose of home-making, but all except a handful are occupied now—nearly all highly improved as well, but not by those who originally entered them nor the descendants of them. There are 1,500,000 people in Kansas to-day, and it is safe to say that they are the result of the settlement in the State of at least three times that number; such has been the coming and the going, always the accompaniment of the growth in population of a new country. The first settlers of Kansas, as of all new countries, were poor in ninety cases out of every hundred. The condition of those who take up the public lands is one of poverty. No man can live off the product of his claim the first year; nor the second, unless he be equipped fully with teams, means to build a house, fences, &c. The bulk of the settlers, then, are obliged to seek work from those more fortunate, often at a distance in the town, on the railroads, &c.

Life is a hard struggle the first few years to the poor settler, and even often to those fortunate enough to have some means. Pioneering is hard enough under the most favorable circumstances. There is always disappointment. The burden falls first and hardest upon the wife. Sickness often comes; medicine and doctors are distant, often impossible to get. There is lack of every convenience and comfort, and often of necessaries as well. Change of climate, food, water, are material conditions; lack of society, absence of letters, papers, these make heart and body sick. Those who are called upon to experience those vicissitudes are new to the experience. Is it any wonder that often after a few months' struggle, perhaps after death has come to some member of the family, the discouragement becomes final, and it is determined to go back East to family and friends? Then the land is entered, the witnesses often being those who are similarly afflicted, and all go back together. The land is almost always and of necessity mortgaged to get money for the trip, or often sold to some one just come from the East, perhaps a little more financially fortunate than the entryman, or at least who had not yet become discouraged. Often the entryman left, intending to return, but, again disappointed, did not, and the land remained vacant for years. It would take far more time than the Senate has to spare to enumerate the main facts, even, which have made up the inevitable conditions attending the settlement of what we call our frontier—the acquisition of homes on the public domain.

Those who have not seen the operations of the settlement laws of the West, who have not seen the comings and goings that go to make up the settlement of the great spaces over which our population have dispersed themselves, and on which finally millions of people have made permanent homes, are ill-qualified to sit in judgment on the good faith which has accompanied that settlement at every stage.

Residence is a compound of fact and intent. The man who has his feet upon a piece of land with the intent to stay there, although he may change it ten minutes later, at the time when the fact and the intent combined was a *bona fide* legal resident there.

I do not know of any rule of law or of ethics ever applied which requires any man to have that intent longer than necessary to perfect his entry. It may be that he has simulated, that he has falsified in matters of detail concerning his settlement. In some cases I have no doubt it has been so; and still, after all, there has been one universal desire and intent, the controlling motive in the minds of nine-tenths of those who have settled on the public lands, and that is to get a tract of land on which to make a home; and the result which the law intended has come, and come permanently, as the farms of the West show, as is evidenced by 600,000 population of Dakota, the million in Nebraska, the million and a half in Kansas, and so on. Does any one believe that all this occupation is bottomed on fraud—that the school-houses, the churches, that all the belongings of a high civilization are the fruit and outcome of wholesale theft of the public domain?

The act of the 12th of September, 1841, has not been a disadvantage to the West, and the authors and finishers of that instrument of legislation need not be ashamed either of the intent in which it was conceived or of the manner in which it has been executed nor of the great results it has achieved. It has become the fashion nowadays to cry corruption about everything—to impute bad motives wherever possible—to always find a bad motive for an act rather than a good one, and upon one bad action predicate the general charge of corruption.

So it has been imputed to all the men—and I say all of them, because the difference between 95 and 100 per cent. is not worth mentioning—that all the men who have made entries of the public domain in the West have been moved by a corrupt motive and the defrauding the Government of the United States out of its public domain, and that motive has been carried out to the extent of from 90 to 95 per cent. of all the entries made.

I can not speak from personal observation for Dakota, nor Nebraska, nor Wyoming, nor Montana, but I can say that so far as this characterization has been applied to the State of Kansas it has been in substance and in essence false. I know that men have entered upon land about which they have changed their minds. I know that men who have come out on the frontier with the intention of staying have changed their purpose and gone back East; but it has simply been the ebb and the flow of that immense tide of humanity which has constantly crowded the frontier westward, and crowded it to stay, which to-day was at low tide and to-morrow was at high, and which has had only the variations in proportion and in line of demarcation which have attended the movements of population everywhere west of the Alleghanies. The first settlers were like the pickets of an army, often thrown back upon the main line, and the main line itself was sometimes thrown back, but finally it moved forward again; it never lost ground permanently, as the constantly receding frontier shows.

I was out on that frontier in my own State last fall to see the people who were building homes in what the maps and the chronicles term the arid region of the United States. How vividly I recalled my own first experience thirty years before, 200 miles east, in a section of country now highly favored. When the first settlers went into the vicinity of where I now live—and I was among the first—persons about Lawrence said, "You are going too far west; it never rains out there; crops can not be raised there." I was of a more hopeful temperament then than I am now. I do not know that I formulated the idea which I shall now express, that the earth was made for man, and that man could and would bring it all under his all-conquering dominion; but some how or other I made light of unfavorable climatic conditions and said I would chance it, as did all who went there then and later. We had the feeling which has carried thousands and hundreds of thousands of men too far out on the frontier; the feeling which my colleague has elsewhere in that felicitous speech for which he is noted called the "hunger for horizon"—the feeling which carries the New England man fresh from the green hills of his birth-place out on to the plains far beyond settlement, as a boat is carried by favoring breezes out on to the bosom of the ocean—and the man of the hills is most captivated by the prairies, and is as unmindful of the treacherous storms which will come upon him as he who sails the Atlantic when all is fair. It is this impulse which has carried men beyond the conditions that were favorable; but who shall challenge their right or denounce or deride them for the failure which overtook them?

If in my effort to make a home upon the northeast quarter, section 9, township 19, range 11 east, in Kansas, I had made a failure of it, if I had been fortunate enough then to have been married and in my despair had thought of my wife's folks in the East, and thought perhaps they would like to see me, I might have changed my determination as to making a home on that piece of land and left it, but it would not have made my original conception, nor my original settlement, nor my entry under that settlement, fraudulent.

No man who has not confronted the climatic conditions of that frontier knows anything about them. It was said of the year 1860 in Kansas that in that year there were thirteen months of dry weather. In the fall of that year more than one-half of its population left the Territory on account of the great drought—driven out because of inability to raise upon their farms the means of support. Thousands returned, but other thousands did not. Should they have been deprived of their land as a punishment? Any one going from the old settled and cultivated East, from its orchards, from its green slopes, from its pleasant waters, from all the concomitants and surroundings of a highly cultivated country, knows little—in many cases absolutely nothing—of what he has got to meet on that frontier where his contention is with nature and without help from his fellow-man. The climate changes in time. The line of the cultivable area, the line within which agriculture is possible, moves westward year by year, and yet so subtly, so changeably, so coquettishly, that it is only after the lapse of a quarter of a century oftentimes that it can be absolutely demonstrated that the line has moved and that the point to which it has moved can be actually pointed out and fixed and determined.

It is the pioneer settler who has caused the climatic change. His domestic fires sending their blue wreaths to the sky, the evaporation of the moisture held in his patch of "breaking," instead of being carried off on the natural surface as before his plow disturbed the sod, the trees planted about his door, have conquered nature. He may not live to enjoy the fruits of it; he may have succumbed in the struggle, but the generations who come after him will enjoy the fruit of his courage and his toil, and should "rise up and call him blessed." But now it is proposed instead to pillory him as a thief and a scoundrel! For myself I propose to put the pioneer in a wholly different category. He has been a public benefactor. His career has illustrated the virtues of enterprise and of courage and constancy.

The country owes him a debt, which it can never pay, scarce less than it owes to those who defended the Republic under arms; and the now abused pioneer performed his share of this service as well. He wrested an empire from the dominion of the desert; he has driven back the savage and brought him under subjection to the forces of civilization; he has added a cordon of new States, extending from the Alleghanies to the Pacific, to the galaxy of the imperial Republic without which it would still be the "shelving strip" which contended with the mother country in the days of the Revolution. It is too late now, when the country is in the enjoyment of the prosperity which his energy, his enterprise, and his courage has wrought, to characterize him as a thief and a robber for the purpose of party advantage. He is beyond the reach of petty assaults. His name and his achievements are part of our common history and are written on the pedestals of the nation's patriotism and those of its material growth and productions.

I am in favor of the repeal of the pre-emption law, and I have been

in favor of its repeal for many years, simply because I thought I could see more plainly perhaps than others who have not been upon the frontier how rapidly the public lands of the United States were being exhausted, and I did not want to live, as I do not now, to see the time when the changed condition of things will come to the people of the United States which will inevitably result from the fact that there are no more public lands subject to settlement. So I was in favor of limiting the quantity which an individual might acquire to 160 acres, and I am in favor of it to-day, not because I believe that 98 per cent., or 90 per cent., or 50 per cent., or 25 per cent., or 10 per cent. even of the entries under the pre-emption law have been actually fraudulent, but because I believe we ought, in view of the fast disappearance of the public domain, to attach new conditions to its disposal.

Growing out of this disappearance of the public domain and from the growth of the cattle industry there has latterly come to be a class of entries heretofore unknown. Persons desiring to get possession of the water of a certain section where grazing was good have employed herders and others to make the necessary entries under the pre-emption law with a view of having the lands transferred as soon as entered to the cattle company. While this class of entries have been infinitesimal in comparison with those honestly made, still they are not only made in gross violation of the law, but they establish a vicious principle and are especially to be reprobated.

The fact that such entries can be made is perhaps reason enough of itself why the pre-emption law should be repealed; and all entries so made should not only be canceled but the persons implicated in making them punished.

Now I come to another point. A great deal has been said not only about fraudulent entries but about the efforts and instrumentalities of the General Land Office to prevent them and to correct them. No doubt there has been in many respects a lax administration of the public-land laws. I remember once hearing an eloquent attorney before the Committee on Public Lands speaking of the law of Mexico in regard to its public lands. He said that every Mexican regarded himself as having title practically to an aliquot proportion of the public domain of Mexico. By reason of the great extent of our public domain heretofore and the liberal character of our laws on the subject of its acquisition men have come to regard themselves as entitled to a quarter-section of public land. They do not always, perhaps, refine upon the requirements of the law as they ought to do, but in nearly all cases, as I before said, back of the entry there is the purpose to make a home, a purpose which is finally realized either in the person of the one who makes the entry or of some one who, the entryman failing in his purpose, purchases from him.

The purpose of the law being thus certainly realized, accidental or incidental violations of its strict terms are of comparative unimportance. The administration of the law for all practical purposes became part of the law. Local officers of the Land Department, regarding substance and general outcome as of superior consequence, and taking account of the necessities of the settler, which required the earliest possible proof so that he might make other and necessary shift for the care and support of his family, or that he might make the land the basis of credit in order to obtain means for the purchase of stock and the improvement of his land, accepted proofs without instituting an inquisition which would operate merely to delay but which could not wholly defeat entries. Suddenly there came a change of administration, not only as to the *personnel* of those who administer the laws, but a change which is hostile for partisan and other reasons to all which has preceded its incoming, and now new, more stringent, and in some cases impracticable rules are to be applied to future entries, which is of little or no consequence, but they are to be applied retroactively and be used to cast discredit upon and to set aside entries heretofore made.

For this purpose special agents are employed, detectives, who, like all detectives, know that the justification of their employment is to be found in their discovery of frauds—a premium upon their diligence in defamation—and, like other men of their class, liable to be "persuaded" as to their duty by improper means. And so out of the "spy" system now in full vogue, inspired by malevolence, the force is "organized to convict." But not organized to convict the wealthy cattleman who may have thousands of acres acquired fraudulently, but the unlucky squatter whose total possessions are in 160 acres, and who has no persuasive power.

This is what is going on now under the special-agent system, by which men, good and bad, under no responsibility, sit in *ex parte* judgment upon the property rights of their fellow-men. It is both un-American and outrageous, no matter how apparently right the action may be, for no real investigation can be had, as the special agents have no authority to summon witnesses, and the consequence is injustice to individuals having the Government muniment of title. Justice to the Government does not require the doing of injustice to individuals.

To take from one man a tract of land for which he has paid the Government price in order to give it to another with whom the Government is not in privity should never be done except after a full hearing before a tribunal having full power to summon witnesses. And yet thousands and tens of thousands of entries have been suspended upon mere suspicion and have been turned over to the Department spies for pretended investigation. Entries made many years ago, and which have been transferred many times to the hands of innocent purchasers, are suspended, whereby loss and injustice is done to innocent people.

Many entries, I think perhaps thousands of them, have already been set aside upon *ex parte* hearings, upon the reports of these special agents who had no authority under the law to summon witnesses or to administer an oath, and who could only hear unsworn and interested testimony.

I will read to the Senate the section of the Revised Statutes under which every pre-emption entry since the 12th day of September, 1841, has been made:

SEC. 2262. Before any person claiming the benefit of this chapter is allowed to enter lands, he shall make oath before the receiver or register of the land district in which the land is situated that he has never had the benefit of any right of pre-emption under section 2259; that he is not the owner of 320 acres of land in any State or Territory; that he has not settled upon and improved such land to sell the same on speculation, but in good faith to appropriate it to his own exclusive use; and that he has not, directly or indirectly, made any agreement or contract, in any way or manner, with any person whatsoever, by which the title which he might acquire from the Government of the United States should inure in whole or in part to the benefit of any person except himself.

The succeeding portion of this section names the penalties which shall follow false swearing, in addition to the ordinary penalties provided by the statute as a punishment for perjury; and what are they?

And if any person taking such oath swears falsely in the premises, he shall forfeit the money which he may have paid for such land, and all right and title to the same.

That is penalty No. 1; and penalty No. 2 is as follows:

And any grant or conveyance which he may have made, except in the hands of *bona fide* purchasers, for a valuuble consideration, shall be null and void, except as provided in section 2288.

And section 2288 simply gives the privilege to the pre-emptor to convey his land for cemetery purposes, and so on. The penalty of the statute is that he shall forfeit the money which he has paid, and that, except in the hands of a *bona fide* purchaser for a valuable consideration, the title of the man shall be forfeited.

Judge Deady, of the district court of the United States for the district of Oregon, has recently decided, in a case which I had hoped to quote but which I could not find, it not being in the Library, that when once a certificate has been issued by the proper land officer it is not in the power of the executive department of the Government to recall it or in any wise to impair its value as a conveyance of the title of the Government; that it can only be set aside in a proceeding instituted in the name of the United States in the proper district or circuit court for the purpose. And in the case of Myers *vs.* Croft (13 Wallace, page 291) Judge Davis, recently the presiding officer of this body, and whose knowledge of the subject on which this decision was rendered and generally in fact of all questions relating to the public lands will not be questioned, adding to that respect to which he was entitled as a judge and as a man of great ability and conscientiousness a thorough knowledge of the public-land system of the United States, says, in narrating what the law is for the purpose of bringing himself up to the decision of the particular case in point, in commenting on this section of the Revised Statutes, which I have read, as follows:

This was felt to be a serious evil, and Congress, in the law under consideration, undertook to remedy it by requiring of the applicant for a pre-emption, before he was allowed to enter the land on which he had settled, to swear that he had not contracted it away, nor settled upon it to sell it on speculation, but in good faith to appropriate it to his own use. In case of false swearing the pre-emptor was subject to a prosecution for perjury, and forfeited the money he had paid for the land; and any grant or conveyance made by him before the entry was declared null and void, with an exception in favor of *bona fide* purchasers for a valuable consideration. It is contended by the plaintiff in error that Congress went further in this direction, and imposed also a restriction upon the power of alienation after the entry, and the last clause in the twelfth section of the act is cited to support the position.

I allude to this simply for the purpose of what I am about to say, to the effect that in this recent raid upon those who have entered public lands there have been acts committed which will result not in benefit to the United States, but in disadvantage and in injustice and wrong not only to men who have entered the public lands, but especially to the men who have purchased from them, which, in my judgment, will far outrun in their consequences and in their effects all the good that has grown out of this sudden change of policy or that can ever grow out of it. Litigation that will outlive the life of any person now living, certainly of any person now having a seat on this floor, will grow out of it, and the money that will be spent in costs and in the employment of attorneys will exceed in value all the lands in controversy.

Among the legal fraternity a great deal of contempt is expressed for what is called "judge-made law." This is a government not only of laws, but of written laws; and while there is committed to the executive department great discretion, especially in the administration of the land laws, at the same time finally the rights of all persons are intended to be settled by the words of the statute. It may be very nice and very enticing and agreeable for those who are charged with the administration of this law to tear it up root and branch and in the exercise of their brief power say that its stipulations, its requirements, the legal rights that have grown up under it shall not be observed and shall not be respected. That, in my judgment, is an evil greater than could ever have grown out of any ordinarily improper administration of the law. Congress makes or should make the laws. It is not

within the proper power of any executive officer either to suspend the execution of a law or to change its terms or qualifications or conditions under any pretense of public policy or public interest whatever.

As I have heretofore said, I am in favor of the repeal of the pre-emption law and have been for many years. One of the very first bills I introduced into this body was for the repeal of that law. It then had no public or popular sentiment back of it; the necessity of it was not as apparent to the great body of legislators as it then seemed to me, and it fell. I refer to that now simply for the purpose of showing that my opinion about this is no new one, but one that has existed ever since I have given attention to the subject. It was because I saw the time coming when by reason of the rapid absorption of the public domain there would be fewer chances for homes than there had been and than the necessities of the situation would require, and then the area which should be permitted to be entered by one person should be circumscribed. That I believed then as I believe now.

I am for limiting the acquisition of the public lands and all lands, so far as the Government can practically do it, to the actual necessities of the individual owning the same, to the land which he can properly cultivate and use with his own labor, leaving free in all other avenues the opportunities for speculation, but preventing in regard to the soil, for which it has been well said there is "no manure like the foot of the owner," so far as possible, speculation, and especially in those lands which form part of the public domain.

With reference to the timber-culture law, as my colleague says, the purpose of it was beneficent. If it had been carried out in the spirit with which it was enacted it would have been of inestimable benefit to all the vast space lying west of the Mississippi River which is denuded of timber; but almost inevitably it became at once the shelter of speculation. The persons who entered the lands were not required to settle upon them. The condition of entry was the planting and cultivation of a certain amount of timber. Of course time was necessary for the preparation of the ground for the planting of the timber. And during this time the person who had filed could not be brought to book, and generally before this period had elapsed opportunity presented itself for disposing of the right to enter to some one who wished to claim the land under the homestead or pre-emption law, and in almost all cases this opportunity was availed of, and so very few entries have been perfected under the timber-culture law, but the thrifty and provident persons who first claimed the lands for timber-culture purposes were enabled to dispose of their claims to good advantage, and I think not even 5 per cent. of all the entries that were made under the timber-culture law have been pursued to final entry under that law. They have been disposed of to persons who desired to enter the lands under other of the public-land laws, and thus the purpose of the law has been defeated; not with great and serious effect, because the land finally had to come under the operation of the settlement laws, but it permitted a speculation on the part of the person who made the original entry, not designing perhaps to follow it out, or having only a feeble design, which was opposed to the intent and spirit of the law.

Instead of that, if there had been an amendment of the homestead law requiring each homestead settler to plant one or two acres of timber around his house in some convenient place for shelter, so that instead of there being a little forest of timber on one section in each township there would have been a smaller forest on each quarter-section, it would have accomplished a better purpose. It is too late now to go back to that; and the committee propose to repeal the timber-culture law entirely.

I do not agree with the man who said that as posterity had done nothing for him he did not intend to do anything for posterity. I am willing and anxious to act with due regard for the coming generations; not too rapidly or with too much cupidity to exhaust the resources of the present and cut off all hopes for those who come after us. But there are to-day sixty million people upon American soil. The additions from natural increase equal 2½ per cent. per annum. The addition from immigration varies from half a million to a million and a half of souls each year besides. The present has some claims upon us as well as the future. He who can aid in so ordering things as that the man of his time and his generation shall be able to live in comfort reasonably as the result of his labor will deserve commendation.

I think that to-day the people now on American soil, now bearing the burdens and responsibilities of citizenship, and who now desire homes upon the public domain should have an opportunity to acquire them; and if they will go, as I would not, to the farthest recesses of the Rocky Mountains, into the little valleys and onto the foot-hills of the great ranges, and take small tracts of land of 40, 80, or 160 acres, making productive what before was absolutely unproductive for all purposes, and thereby give cheap food to the men who are unlocking those other resources of the Rocky Mountains, the gold and silver deposits, I would not prevent it under any sentiment that some other generation might thereby lose an opportunity. The present generation is entitled to a fair chance.

This bill, Mr. President, was framed with a desire to save to the actual settler who was willing to take and be satisfied with 160 acres of the public domain, and with a desire to do justice to outstanding obligations on the part of the Government. It protects all men who have initiated proceedings under any of the land laws of the United States; it protects all outstanding obligations in the nature of warrants and scrip which the Government has issued heretofore and made payable in public lands, and which, if it does not take up in the manner nominated in the law by the application of lands to their discharge, must be satisfied by money out of the Treasury.

We have provided as matter of detail that there shall be estoppel within reasonable time against the Government, that there should be some time within which the Government should be constrained from inquiring into the validity of titles which it had granted, and that thereby there should be security of title.

This bill, without seeking to interfere with the rights of the Government, goes as far as it can within proper limits to give that security of title, that stability which must be the foundation of social order and precede the march of progress. It recognizes the rights of innocent purchasers for value when such purchase and good faith shall be made apparent to the Land Department—which, as I believe, is only a recognition of rights already secured—and it sends cases of alleged frauds to the courts, where alone they can be tried as other issues are tried, by an impartial tribunal and with full power to secure and hear testimony.

I will not say that this bill is the sum of human wisdom; but the committee of which I am a member has labored over it faithfully. Perhaps they would amend it in some particulars if they had jurisdiction of it again, but substantially it is what they believe should be enacted. It represents at least the earnest judgment, the indefatigable labor of the committee, which has reason to say that it knows something about the practical administration of the land laws and of that which requires to be remedied. By this bill as a whole I am willing to stand or fall, and I bespeak for it at the hands of the Senate earnest consideration.

Treasury Surplus.

SPEECH

OF

HON. WILKINSON CALL,

OF FLORIDA,

IN THE SENATE OF THE UNITED STATES,

Friday, July 30, 1886.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

The joint resolution is as follows:

"*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That whenever the surplus or balance in the Treasury, including amount held for redemption of United States notes, shall exceed the sum of $100,000,000, it shall be, and is hereby made, the duty of the Secretary of the Treasury to apply such excess, in sums not less than $10,000,000 per month, during the existence of any such surplus or excess, to the payment of the interest-bearing indebtedness of the United States payable at the option of the Government. The surplus or balance herein referred to shall be the available surplus, ascertained according to the form of statement of the United States Treasurer, of the assets and liabilities of the Treasury of the United States employed on June 30, 1886."

The joint resolution was reported from the Committee on Finance with an amendment, to add the following proviso:

"*Provided*, That no call shall be made under the provisions of this resolution until a sum equal to the call is in the Treasury over and above the reserve herein mentioned: *And provided further*, That the Secretary of the Treasury, in his discretion, may have in the Treasury, over and above the foregoing sums, a working balance not exceeding $20,000,000; and in the case of any extraordinary emergency, and when, because thereof, in the opinion of the Secretary of the Treasury, the public interests shall require it, he may, by written order, suspend the further call for the payment of such indebtedness for such period of time as shall be necessary to maintain the public credit unimpaired."

Mr. CALL said:

Mr. PRESIDENT: The resolution proposes to require the payment by law of a specific sum of money monthly upon the public debt of the United States, and not to leave it as it has been heretofore left to the judgment and discretion of the Secretary of the Treasury and the administration who shall be in charge of public affairs. If it were merely a question of holding a certain amount of money in the Treasury of the United States for which there was no well-ascertained public use it would be easy to dispose of it.

FINANCIAL CONDITION UNCERTAIN.

If it could be known as a certainty, as it has been treated by Senators here, as to what will be the financial condition of the country; if the reasons which they have given for forecasting the future could be relied upon with the confidence with which they assert them, there ought to be but little difference of opinion as to the wisdom and propriety of the resolution. I presume every one concurs in the proposition that no money should be taken by taxation from the people for which there is not an immediate public use. Certainly the proposition is a very plain one and does not need to be enforced by argument that to gather great sums of money from the people of the country and hoard them in the public Treasury will bring calamity and ruin upon the

country just in proportion as the amount withheld from the uses of business and life shall bear to the business of the country and the great bulk of its circulating medium.

THE OPINION OF PRESIDENT AND HIS SECRETARIES.

But the President of the United States and the sagacious man (and it is not always a politician who is the wisest man) who is at the head of the Treasury Department did not see this question in that light. Educated in the practical necessities of business, a man of strong practical judgment, of knowledge of affairs, he, with his First Assistant Secretary of the Treasury, who has shown himself in the communication which he has addressed to the Committee on Finance here to be a man of judgment and mind, regarded this question in a different light. They and the Treasurer came to consider it in the light in which the practical business men of the country regarded it. They regarded it as a question connected with the permanent and equal value of the different kinds of currency which are known as the money of this country.

The question to be considered before the Senate is not as to what amount of money can be spared from the ordinary disbursements of the Government. To so treat it is to look upon it in a narrow and impracticable manner. The question which addresses itself to my mind upon this subject is that which seems to have actuated the President, whose sincerity of purpose, whose desire to promote the good of the country at large, whose practical good sense I think are evidenced in his treatment of this subject, treating it as a subject distinct from the question of what may be the permanent future of silver coinage, but as a matter of present practical necessity, treating it as a question simply of preserving the interchangeable equal value of gold and silver and of the paper money of the United States.

DIFFERENCE BETWEEN GOLD AND SILVER.

Mr. President, to reason upon any subject there must be correct processes of reasoning based upon some ascertained facts, and those facts clearly ascertained can be alone the basis of any sound reasoning. Intemperate assertion, rash and confident opinions drawn from facts which do not warrant them, are not the basis of a calm judgment in regard to the finances and business of a country.

One fact presents itself to my mind as one that men who reason and who have judgment should attach some importance to, should measure and consider, and that fact is this: It is a fact ascertained and admitted that a pound of silver bullion is worth in the markets of the world about one-fourth less than the value as expressed by law of the coin which may be made from it. A pound of gold in the markets of the world is worth as much as the coin which may be made from it according to the prescribed standard of valuation by law. The value of this fact, the significance of it, the influence it may have on money and values are questions for the consideration of all thoughtful men, are subjects upon which Senators may well exercise whatever power of reasoning they may have.

It is a fact that a pound of silver bullion made into coin is worth one-fourth, or nearly one-fourth, less than the value which the law declares it to possess. A pound of gold made into coin is worth the full amount which the law declares it to possess. We have various explanations of this fact. By some it is asserted to be due to the want of an energetic effort on the part of the Government to increase the value of the one, by some to an effort to depress it, by some to combinations of great moneyed interests; but let the facts be what they may as the cause of the difference, what will be the influence of this fact and who shall guarantee that it will not be greater than it is?

SIGNIFICANCE OF THIS.

Mr. President, there are causes for this, but I shall not weary the Senate by entering at large into the subject. The significance of this fact is that it has so impressed the judgment of men, and none can reverse it by declarations, harsh invectives against the great interests which manage and control, whether rightfully or wrongfully, the business interests and industries of the country. The significance of this fact is that it has so impressed the agencies which control commerce and finance and industry and labor, be they good or bad, that they distrust the future of the one and perhaps appreciate too largely the future of the other. Admit all that has been said by the Senator from Kentucky and those who have argued this question, still the fact remains that there is a difference between these two tokens of money which constitute to a large extent the representatives of value in this country and in the world.

HOW SHALL IT BE REMEDIED?

If it be true that from some cause the fact is that as between these two great representatives one is one-fourth less in value than the value which the law declares it shall possess and the other is up to the standard and requirement of the law, it remains for us to consider by what means shall the declination of the one be prevented and its appreciation obtained. That is the first great question. The abundance of this circulating medium, which all admit to be a proper and wise subject for encouragement, is another question. The present question for us is how shall we prevent the declination of the one and secure its appreciation to the equal standard prescribed by law for the currency of the country, which by law is proposed to be so regulated that the one shall be the equal of the other.

Some Senators have urged that it shall be done by increasing the amount of the one, by making it unlimited. Suppose that proposition should be admitted, does it follow that there shall be nowhere a power left to prevent any abatement in the confidence of the people of the country in the one or the other? Does it follow that there can not be a want of confidence throughout the community and throughout the world in the one, and that that want of confidence may not be prevented by practical administration, by the Government being enabled at all times when there shall be an attempted appreciation of the one to pay out its gold dollars for the silver dollars—thus having the power (the greatest instrumentality of associated effort in the world, having the power to put millions of gold dollars as the substitute for silver dollars) to practically enforce to every man the idea that whatever may be the depreciation of this metal a great and powerful agency stands ready to make it good to the equal standard of the law.

In the argument of this question another very significant fact is presented, and that is that while the law prescribes an equal standard of value between two respective things, gold and silver, of certain proportions of weight and fineness, notwithstanding the law has made that a legal tender, notwithstanding there is always a vast multitude of contracts to be performed which by the law are dischargeable in silver or gold either at the choice of the debtor, notwithstanding this use is created by law, which is a great power, a use which can not be avoided, notwithstanding the law requires that all judgments, all failures to perform contracts wherever they are may be discharged in the silver dollar, still the silver bullion which constitutes that dollar is one-fourth less in market value than the gold dollar. With all the power of the Government, with the practical use to pay the revenues of the Government, with the practical use to discharge all future contracts and all contracts which are now to be enforced by judgment, still from some cause or other this fact exists.

Mr. President, I do not think it requires a great deal of reasoning to convince a man of sober judgment, who weighs facts as they are, that this depreciation, from whatever cause it has occurred, may continue, and that when it has gone to the extent of 50 or 25 per cent. there will be a diminution in values throughout this country the future effect of which no man can pretend to foretell. If that is not so, then the one may depreciate to nothing and the artificial uses which the Government by law may prescribe can still be carried on in a circulation which has no marketable value except for the purposes provided and required by law. This, in my judgment, is the practical view of this question.

THE FUTURE OF SILVER.

As to the future of silver coin, I am of the opinion, in my own humble judgment, that that is a future for which there need be no fear. I am of the opinion that the economists of the future will adjust these relations. How far it is within the power of the Government to maintain by law a fixed ratio between any two commodities is a question too large for discussion here. The reasoning man, the man of mind and judgment who weighs carefully causes and effects, may perhaps see in the future an abundant use for all the gold and all the silver coin that an unlimited coinage could supply. But it is a different question altogether from the proposition that the Government may by law prescribe a fixed and invariable ratio between the values of any two commodities. Those who have argued this question have argued it upon that basis and that theory, endeavoring to prove that by law or by a wise administrative policy the Government can preserve a fixed and inseparable ratio of value between gold and silver.

The taste and fashion of the world may prefer to-day silver or gold for all purposes of ornamentation, and yet they insist that while there may be a great and universal demand for the one and not for the other, the same fixed ratio of value between gold and silver will still exist, and that some process of administration, some process of compulsory use and necessity will be adequate to preserve that fixed and invariable ratio.

EQUAL VALUE OF GOLD AND SILVER AND PAPER.

This, then, to my mind is the question which reasonably addresses itself to the judgment of Senators. The proposition made by the Secretary of the Treasury in his reports, and antagonized by the specific provisions of the resolution of the House, is not one that concerns the future of the coinage of either of these metals. It is the simple proposition that there is in the United States in circulation something like $2,000,000,000 of gold, silver, and paper currency, three different kinds; that to preserve the equality of these different species of money is an object of great public necessity; that the disappearance in the practical uses of the country of that equality would bring great financial calamity; that the organisms of credit, the banks, the depositaries, the men who have accumulated and become the sources of credit, by any great depreciation in these different species of currency, will be deprived of a very large portion of their resources; that the debtors of the country, in whose favor so much is said, when they are compelled by law to pay their debts and have not the money to do it with, will become the victims of the most harsh and oppressive terms; that those who have money due to them, by the depreciation of this legal-tender coin, either gold or silver or paper, would be required to be paid in a currency that was not of value; and that, as they had made their contracts upon the basis of an equality in the value of these different species of currency, they might be paid in that which represented nothing; and that to depreciate silver would strike off from

$150,000,000 to $200,000,000 of the values of the country in the hands of its poorer people.

None will deny that this effect will follow from the continued depreciation of either one or the other of the several kinds of money commonly in use in this country. How is it to be prevented? It is to be prevented by a confidence in the public at large, by a confidence in other countries, a confidence in the great centers of trade, which, whether for good or for evil, have practical power in this country—a confidence that that depreciation will not occur. One powerful agency to prevent it certainly is that the Treasury Department of the United States shall be possessed of ample means to make the depreciated currency good whenever there shall be any want of confidence, anything extending to a panic, and that confidence will either exist or not exist according to the ability of this great agency to protect either of these species of money from depreciation of any kind.

To my mind there is no force in the suggestion that it is impossible that this will occur. The causes which produce a want of confidence are not within the forecast of man. They may occur with suddenness; they may be the result of combination; they may be the result of natural causes. They may come from wars; they may come from contingencies which can not now be foreseen.

I can see therefore no wisdom in this resolution, and I should vote against both these resolutions if I had it in my power to do so. I should leave it to the Secretary of the Treasury who has shown that kind of wisdom which is far beyond the wisdom of the politician, far beyond the wisdom of the man of letters, the practical knowledge of a well-informed judgment, of a sensible man conversant, thoroughly familiar, with the subject with which he deals. I know of no man who has exhibited more wisdom and more ability than the Secretary of the Treasury under this administration; and whatever differences of opinion I might have with him, I certainly should not condemn his judgment in advance or withhold from him a discretion to deal with this subject, being well advised and confident that every dollar of this money that could be spared from the public necessities would be appropriated suitably and wisely to the reduction of the public debt.

THE PRESIDENT WISE AND PRUDENT.

Neither do I see anything in the conduct of the President of the United States which should make us at all alarmed that there should be any want of wisdom and prudence in the administration of the finances of the country. He shares, as do the whole people, in the desire that the public debt shall be extinguished as rapidly as possible. He certainly has enforced upon Congress the necessity of reducing the taxes as rapidly as possible. His sincerity of purpose, his practical good sense, his energetic devotion to the performance of his duties can not be questioned. There is, therefore, no reason in the conduct of the administration and no reason in the practical wisdom of the things required to be done which justifies a resolution forcing the payment of $10,000,000 a month upon the public debt of the United States without reference to any of the exigencies that may arise in the conduct of the Treasury.

In my judgment this resolution predicated upon the idea that it may be done without any connection whatever with the interchangeable value of the different species of money that constitute the circulating medium of the United States is a dangerous error and without foundation. The reasoning is upon premises which do not justify it. You might admit every proposition of the Senator from Kentucky in his able speeches here, you might admit every proposition which the distinguished Senator from Colorado and the Senator from Kansas have made, and yet not touch the important question which is before the Senate, whether it is wise to deprive the Secretary of the Treasury of the United States of the power to protect either one of three species of currency belonging to the people of the United States from any cause which may depreciate it and to arrest the depreciation of the silver currency and the silver bullion which must carry with it the depreciation of the coin.

It does not touch the question of what means shall be provided to effect that important purpose, and whether the only means is not having in the Treasury of the United States a fund sufficient at all times reasonably to make good any amount of silver dollars which may be put in question by substituting gold for them in the administrative process of the Treasury of the United States.

FACTS TO BE CONSIDERED.

For these reasons, Mr. President, I should, if I had it in my power to do so, defeat both the House resolution and the Senate amendment. In the absence of that power I shall vote for the amendment.

There are certain facts which must furnish the basis of sound reasoning and true conclusions on this as on all other subjects.

Money has no intrinsic value as money. It can neither sow nor reap. It has not the power of production or invention. It is the creation of human invention and the offspring of the necessities and convenience of men, and therefore subject to the laws and regulations which they may make.

Its function is to measure and represent values, and it derives its function and power from the consent of the people of the community, state, nation, or nations where it is or may be used. This consent for its use depends altogether on its value, and the uses to which it may be put, and the permanence of this use.

When the Government coins metals of any kind for private persons into different denominations and delivers them to the owner of the bullion or metal out of which they were made, declaring by law that certain standard measures and denominations and proportions of weight and fineness shall constitute the standard coinage of a country, it does no more than this, and its declaration by law of these facts can give no additional value to the metal out of which the coinage is made or to the coinage itself. If the action of Government is confined to this declaration of the names or denomination of coin of different weight and fineness, it leaves every one free to use it or not use it; and the use or non-use of it will depend entirely on the advantage or disadvantage it may be to the individual. Every man will take that in exchange for his labor or the results of his labor which will answer his personal needs the best. If this should be the personal promise of some individual, he will take that in preference to any coin of any denomination or standard that will not serve his purpose so well, provided, of course, that he knows the fact.

These admitted and apparent facts show conclusively that money has no intrinsic and inherent power, whether it be metallic money, gold or silver, or paper money, but that it must be, of whatever nature it may be, the subject of wise arrangement, predicated on some ascertained and stable causes.

REGULATION OF COIN VALUE.

This was the former method of Government action and regulation of coinage and money.

The Government declared what should be standard divisions of coin and their respective weight and fineness, and having done this did no more. The uses and value of this coin, and the proportions of quantity and value which it should bear to production and labor and property, were left altogether to the voluntary actions of those who had occasion or necessity to use them and to the natural and business causes which affected them.

Under such conditions as these, namely, unlimited coinage of the metals for the benefit of individual owners, it is quite evident that the quantity was in no sense material except as its abundance or scarcity was a matter of convenience. The greater or less quantity which might be given for one or another value or commodity would be regulated altogether by causes with which the Government had nothing to do, and no concern, and which could in no way affect the people except in the convenience and facility which the abundance or scarcity of an accepted representative of values might afford.

USE, NOT LAW, MAKES VALUE.

It is therefore quite clear that the action of Government in declaring that certain standards of weight and fineness of certain metals, and the coinage of these metals and their proportions on account of the individuals who may own them, will never of itself constitute them money and make them representatives of value and the instruments of exchange and commerce.

It is also quite evident that if there be any commodity or product or thing which is of a universal value in a community, State, nation, or the world of commerce, and such commodity, product, or thing is susceptible of convenient division and subdivision and transportation—that coined or uncoined, divided or undivided by law—such a product or thing possessing these qualities will constitute, if it can be had, the accepted and reliable representative of value and instrument of commerce.

It seems, however, equally clear that the proportions or quantities of such commodities which would be given in exchange for any particular article will depend not only on the scarcity or abundance of the article to be purchased or exchanged or its proper and relative cost, but also on all the causes, both natural and artificial, which affect the product or thing with which the purchase is to be made; and that while abundance or scarcity, the needs for and the uses of a commodity or thing, and the relative cost of its production are the natural and proper elements which should determine the relative quantities which should be given for different things, and the cost of production is the only just and proper measure of values; yet other elements will determine largely the value when the article with which the purchase is to be made is subject in any way to artificial control or monopoly, or to fluctuations of scarcity or abundance.

It is also equally evident that the determination of values by the chance supply or the greater or less quantity of any one or more commodities without reference to the cost of production or the abundance or scarcity of other commodities is one of the results of the moneyed economies of the past, and that this evil is beginning to be remedied in part only by the systems of clearing-houses, by drafts on shipment, and by exchanges in kind through the instrumentalities of banking and commerce.

We have ascertained, then, that money as money has no intrinsic value; that its function is to measure and represent values; that the part which the Government performs is only to declare what shall be money and what shall be standards and proportions of weight and fineness of its coin and the name by which it shall be known; that all these offices being performed can not give value or use of themselves to money, and that any commodity of universal and steady value, susceptible of easy subdivision and transportation, will, by virtue of these qualities, become the representative of value and the means of exchange without the ac-

tion of government, which, when added to these qualities, will only facilitate and regulate its use.

THE QUALITY LAW GIVES TO MONEY.

What quality, then, is it which the Government can impart to money which renders it so important and gives to it such power over men and their lives and fortunes and makes it so often a ruinous factor or a source of benefit in the welfare of communities, States, or nations? If we can ascertain this we may, perhaps, discern its limits, and the facts and the learned opinions which have been brought to this debate, first by the Senator from Kentucky [Mr. BECK], and then by the Senator from Alabama [Mr. PUGH], and the Senator from North Carolina [Mr. VANCE], and the Senators from Texas [Mr. COKE and Mr. MAXEY], and the Senator from Louisiana [Mr. EUSTIS], and the Senator from Colorado [Mr. TELLER], and Mr. SHERMAN, may have their true application, and we may thus ascertain precisely what direction legislation should take in view of the new economies of a new age of industry—economies looking to the just rights of labor.

We may perhaps ascertain in how far these new economies by a better method may be supplanting the old method of measuring values by the abundance or scarcity of money, and substituting such measure by the cost of production, leaving to money as its chief function to furnish the convenient and ready standard of measurement and expression of value.

We may ascertain the meaning and importance of the statistics which show how small a proportion of the actual large exchanges of the world are effected by the actual use of money otherwise than as the mere expression of value, and how much larger a proportion of the small and every-day transactions of life and business are effected through its use both as a representative and a measure of the value of labor and the subsistence of labor. What, then, is the function which the action of government may give and has given to money, which gives to it such power and influence as to make its regulation and the declaration of its value a power of such great extent and influence?

LEGAL-TENDER QUALITY AND ITS EFFECTS.

The Constitution of the United States says Congress shall have power to coin money, regulate the value thereof and of foreign coin, and fix the standard of weights and measures. No State shall make anything but gold and silver a legal tender for the payment of debts. The exercise of this power, the declaration by law that gold and silver shall be the current coin, and the regulation of its value, does not pretend to and can not enforce its use, nor confine business and exchanges to it, nor prescribe nor affect when used the quantities or proportions of value which it will bear to other things or values, nor make it a representative of value.

Neither does the fact of the actual use of gold and silver coin or bullion or any other commodity or value as money give to it its great power for good or evil, for it is manifest that to-day a community or people may be exchanging in different proportions values for gold and silver or any other commodity, and a year hence the proportions or values may change or some other methods of exchange may be adopted, and beyond the loss or profit that may result to those who have bought and sold and kept there is no material result, as the number of those who will hold and keep the representative or measure of value will be small as compared with the number of those who have used it and for whom it has performed all its functions. The great function then which the law imparts to money, which gives to it its great power and influence over the lives and fortunes and the welfare of the people, is its legal-tender quality—the power given by law of discharging all obligations and contracts by the delivery of agreed quantities and standards, and the compulsory exchange and transfer of the property of the debtor to the creditor, in all cases of damage or loss or wrongdoing, through judgment and execution at law.

The significance of this will be found in the fact that the debtors always exceed in large proportions the creditors; that the number of contracts to be performed in the future vastly exceed the number of those begun and completed at any particular time; that the contracts and obligations of men relate to the future more than the present, and of necessity must be performed in the future; hence the power of regulating and declaring the value of that thing alone in which they can be performed, and the exercise of it, constitutes the thing so declared a representative of value to the extent of this use.

It is true that the power to contract is left free, and men may contract to exchange commodities in kind or to receive drafts and notes of individuals, but still all failures to perform must be compensated in damages in the legal-tender money of a country, all judgments and executions and compulsory payments discharged and satisfied in it.

It is then the legal-tender quality and the compulsory payment of debts and obligations that give to money its power as a representative of value, so far as the positive precepts of the law or the action of the lawmaking power can effect it.

MONEY DERIVES ITS VALUE FROM ITS USES.

Money like everything else derives its value solely from its uses, and it is only by creating a use for it that the power of government or individuals can be of any avail. All the enactments of power and the devices of individuals can not give value to that for which men can find no adequate current use, and the value is purely in proportion to the facility, convenience, and permanence of its use.

When a government or an individual having need for any commodity or thing, whether wheat, or corn, or supplies, or bullion of metals, or coin, or drafts, or promissory notes, and having power to exact and compel the delivery of it, shall transfer this power to those who hold its obligations by the delivery of its promises which they agree to receive in place of or as a representative of the thing demanded, either in taxes or otherwise, they create a use and give a value to the promises thus issued. If the government has the power of exaction of three hundred millions a year, and the people are able to pay it, then the notes of the government will be of a current and universal use for this amount of value, and this use will constitute a value just as the use of any commodity will constitute a value; and this value will be limited to a particular community or country, or extended beyond it into other countries, precisely in proportion to the convenience of commerce and exchange. The value will exist and remain, and only be increased or diminished in proportion to the facility of its use in other countries and in wider spheres of business.

If this argument be true, money derives its value from the uses which may be made of it. These uses depend on its convenience of division and subdivision and transportation and the permanence and universality of its use and value, and this convenience of division and transportation and this permanence and universality of value and use may be created by the law to the extent of the income from taxes of a State certainly, and perhaps to a much greater extent.

CENTERS OF EXCHANGE AND DISTRIBUTERS.

It also appears that commerce has a law arising from necessity and convenience, from easy intercourse, by which it makes for itself centers of exchange, which become, as it were, clearing-houses for the settlement of balances in transactions, and which are a substitute for money and supersede its use for the bulk of transactions.

VARIATIONS OF MONEY VALUES.

We have also ascertained that all money and all representatives of value hitherto used in the shape of money or currency are subject to a double variation: first, in the value of the article bought, which finds expression in the money representative; and, second, in the differing values of the money representative itself, which may be caused by its abundance or scarcity, by the greater demand for it in one place than in another, by the facilities for its transportation or removal, and by the combinations which may be made for its control, its circulation, or withdrawal from use.

It also appears that the differing values of money as a representative of value have been and are the subject of unnecessary and arbitrary fluctuations and change caused by the devices of men, and that these, with the unnecessary and artificial fluctuation of commodities caused by the devices of interested men, are more powerful to-day in their combinations to rob labor of its just compensation and make all values and all property dependent on the will and interest of those who control those causes than they have been in any past time.

THE REMEDY.

To remedy these evils is and will continue to be a great object of intelligent legislation by the friends of the people.

The question before us is supposed by its advocates to be connected with the continuance or suspension of silver coinage, on the theory that there may be too much money, and that when there is much of one kind and but little of another, and the money of one kind is of much greater value than the money of the other kind, the one will drive the other out of circulation, and that this would be a great public calamity, and that the measure of value and the sale of values payable indiscriminately in either will be a loss to the seller and a gain to the buyer by enabling him to make payment always in the cheaper metal or money. It is also contended that by having a great abundance of what is termed the cheaper money, and but one kind of money in foreign countries, all balances will have to be paid in the kind of money in demand where the balances are to be paid, and this will be in the dear money, by virtue of which all the dear money will leave the country. To investigate these propositions we shall have to find out what is meant by cheap money.

CHEAP MONEY AS BETWEEN GOLD AND SILVER.

By what standard is its respective value to be measured? We shall have to apply the conclusions we have already reached as to representatives of value or money to balances between foreign countries, where the legal-tender quality of money does not apply, and where the law of relative values or commercial exchange does apply, where commodities find their exchange at their respective values in the country where the balance is made.

LONG USE OF GOLD AND SILVER, AND ITS CAUSES.

We shall have to commence this inquiry by ascertaining the true relations of gold and silver to the business of the world as money and the reasons for its long use as the measure and representative of values in the commerce and exchanges and transactions of the world, and in the course of this inquiry the facts which have been stated in this debate will find their appropriate place, and either refute or vindicate the opinions which have been expressed.

To what is the long use of the precious metals as the representative of value to be attributed? Certainly not to the fact that they are declared to be money and made into coin for convenience of use; nor to the fact that they are declared by authority to be a representative of value. Their valuation will neither create a use nor a desire for them, and without a use or desire for them by men the valuation of authority would be simply vain. They are precious because for some reason, as bullion, as metal, not as coin, they have always been an object of universal desire. This desire is predicated on their use and value for ornamentation and in the arts in the judgment and taste of much the greater part of the world. It is this universal use and desire for them and the comparative ease of their transportation that has made them as metals, as bullion, the measure and representative of value in all countries. Any other metal or commodity of the like qualities would have been and would be a representative of value equal to them in all these respects and all their uses, and would have divided their empire with them.

OTHER COMMODITIES AS REPRESENTATIVES OF VALUE.

What would have been the harm to the world or to business if there were other commodities of equal desire and equal general use with them which would make such other commodities equally a representative of value? What would be the harm if such other commodities were very abundant and easy to obtain. Men would exchange what they have for them because by reason of the universal desire for them they can be converted easily and cheaply into whatever they want.

Men would agree to take them as a consideration for labor and skill for the same reason. Government would make them a legal tender, because men contract to buy and sell and to take payment in them.

The Government coins and stamps them and declares the weight and fineness and regulates their relative value to each other as money, not their relative value to other commodities or other values. In respect to other values they can have no fixed relation, because the value of other commodities is regulated by their abundance or scarcity either natural or forced, by the cost of transportation, by the combinations made among men, by the demand and use for them.

FUTURE PAYMENTS OR EXCHANGES.

He who agrees to exchange anything and take payment at some future time in either gold or silver coin or bullion does so subject to the chance that its value measured in commodities or property may be either greater or less than it is at the time of the transaction.

But it is said that if a contract be to sell a value for so many pounds of bullion of either silver or gold to be delivered at a future time, then there is some certainty about it. No other risk is taken than that at the time of payment the value of the pound of bullion may be greater or less measured in the things it will then buy than it was at the time of the contract; but he who sells exchanges labor or property to be paid in either gold or silver, or where either is a legal tender, if there be a difference between the commodities which the two will buy, runs the risk of having his payment made in that one of the two metals which will buy the least and which therefore will be of the least value.

This is obviously true; and the result necessarily will be that men contemplating this contingency will, in their contract or sales, fix the amount or value of the thing sold at that price which the cheaper money will represent when measured by what it will buy.

Thus, for instance, if a man were to sell property, to be paid at some future time in so many ounces of gold or silver bullion, he would provide that such additional number of ounces of silver bullion more than of gold as its then or future value measured by what it would buy would be. But if he make a contract to take so many dollars for his property, and it be the law that either silver or gold dollars will discharge the obligation, and there be a difference in what gold or silver dollars will buy, unless he measures the value of his property by demanding the price for it equal to what silver dollars will buy, he might lose, and there will be then a gold value for property and a silver value for property, and by law the gold dollar and the silver dollar being each a legal tender of the same value all transactions will of necessity be based on the silver value; that is, the values of property will be increased to the amount necessary for silver dollars to cover it.

IS A FIXED RATIO POSSIBLE?

Now, the question for us to consider is how far this will be an evil, and whether it is greater than some other evils, and how far it is within the power of the Government to maintain a fixed ratio between gold and silver coin, and if so by what means they can do it.

If contracts by law were payable in either gold or silver bullion at their respective market values at the time of payment, and a legal tender at their measure of value, the difficulty would seem in this respect to be obviated, without injustice to labor or business. It is true the element of uncertainty as to amount of payment would rest on both sides, but it might be further reduced by making the market value at the time of payment to be measured by the purchasing capacity of either of the great commercial staples.

We have then a proposition that the Government can maintain a fixed ratio of value between certain different coins of differing qualities, and that this will be effected certainly by getting the consent of all governments to the proposition that so many grains of gold shall be of the same value as so many grains of silver; that is to say, if a government declares by law that 1 grain of gold is worth just 15½ grains of silver it will be worth just that much and no more.

Why this should be so does not appear, and why this should be so of gold and silver any more than it is true of any other commodity does not appear.

Suppose the Government by law declares that 1 bushel of wheat shall be worth 10 bushels of corn, and no more and no less, will this make it so?

Suppose when this law is made three-fourths of the wheat should be destroyed, and the corn increased three-fourths, and the demand and uses of wheat continue just the same, would the value of the bushel of wheat remain just the same, irrespective of the quantity or supply, or of the uses and demand for it? And if the value of the one bushel of wheat be increased or diminished by causes which do not affect in any way the value of the ten bushels of corn, and over which the Government has no control, how can the declaration by law that they shall be of the same value affect it?

I do not see that the consent of all governments that one grain of gold shall be worth so many grains of silver will any more make it so than the consent of one government will make it so.

It seems very clear to me that the respective value of gold and silver is created by qualities and uses which governments did not make and can not unmake, and that their relative value depends on causes peculiar to each.

There may be a demand for gold in the fine arts or for other uses at one time much greater than the ordinary demand for silver, and this demand will increase the relative value of gold to silver and decrease the relative value of silver.

How will the declaration by law that so many grains of gold coined and stamped as a dollar and so many grains of silver coined and stamped as a dollar shall be of equal value affect them in the supposed case? Let us see. We will suppose in the changes of fashion and the increase of luxury the demand for gold for the arts and for ornament and luxury should increase and that for silver diminish. The gold in the dollar and the silver dollar, for the purpose of paying debts, is of equal value; but the gold in the gold dollar, for the purpose of sale as a commodity, is worth twenty times as much as the silver in the silver dollar. Why will not everybody sell the gold dollar for use in the arts and keep and use the silver to pay debts and meet contracts? And how will the declaration of the Government, or of all governments and of all people, cause or prevent the fashion and taste of men from using the gold in the arts and preferring it to silver, or using silver in preference to gold?

But suppose all governments were to unite, if it were possible, to forbid and prevent the use of the precious metals in the arts or for any other purpose than money. How would this affect the matter and secure a fixed ratio?

A man in this condition of things has property of some kind to sell. What does he say when he proposes to exchange this for something else, or for coin? He says, what will be the value of this coin to me? The answer is, it can be used only for money; it has no other use or value. It can not be used in the arts nor for the support and comfort of life. Its use and value and purchasing power depend on the continuance of this agreement between the governments entirely. It depends on its legal-tender quality, and the quantities of which will be equal to other commodities in its purchasing power is purely arbitrary. It may be increased or diminished indefinitely. It is a representative of value only so far as it is a legal tender for debts and obligations, and the want of permanence and possible change and discontinuance will always disturb confidence in such a representative of value, while it is probably true that such a consent among nations in respect to the ratio of the precious metals would maintain it with some degree of stability.

IS A FIXED RATIO NECESSARY?

But why should there be a fixed ratio of value between the two metals? We have already seen that each can perform the functions of money at their market value as bullion as they have always done without a fixed ratio of value, and that is not within the power of Government so long as differing uses in commerce and the arts exist for either the one or the other, to secure a fixed ratio between them. We have also seen that for convenience of use and cheapness of transportation the two metals are placed on an equality by the use of certificates of deposit granted by the Government and issuable for any amount, and that this method of use and circulation is the same in all respects as if the coin itself was really passed from hand to hand. These several facts demonstrate the following propositions:

First. That gold and silver, by virtue of their relations to and uses in the arts and commerce, and by their convenience and ease of transportation and their intrinsic qualities, have a special and intrinsic value as representatives of value which we call money.

That to these qualities is due their long use for this purpose as a measure and representative of value. That a fixed ratio between them is not necessary to their performance of these functions, which may be

as readily done by their use as bullion at their respective market value as by a fixed ratio.

That the necessity of a fixed ratio has had relation and use only to this legal-tender power—an artificial use—and that this will be evaded whenever there is a difference of value and the amount of gold in a dollar will buy more silver than the dollar contains by making all prices based on the gold value of the silver in the dollar.

WHEN GOLD OR SILVER BECOMES MERCHANDISE.

This latter fact is proved by this statement: If the gold in a dollar will buy more silver than there is in the dollar in London or anywhere else, and the silver dollar will buy as much here as the gold dollar, why will it not pay any one to send the gold to London, sell it, and bring it back to the country in the shape of commodities—sugar, coffee, or anything else you buy—at the gold value abroad, which will buy just as much more as the gold dollar is worth more than the silver dollar; and unless by law you can regulate prices of commodities the price demanded here will be just that much more than the silver dollar is worth with profits and transportation and cost of sale added. If a man sends his gold dollar to London, worth there 20 cents more than a silver dollar, and buys 20 per cent. more silver than is in the silver dollar here, and brings the silver here, the Government says to him, "You can not use that silver here at its value abroad. We have a Government value by law, which makes it worth as much here as the quantity of gold in a gold dollar, and you can only get this for it."

This is only prescribing a price for it when used as money different from its market value even in this country, and is avoided immediately by seeking investment at gold values in commodities—perhaps in silver bullion itself—to be used in commerce and the arts at its market value, which is just that much more value when used for this purpose; that is, he sells his silver bullion which he has bought with his gold dollar at the market price, which is 20 per cent. more than the silver dollar, and thus realizes a gold value and a different ratio right under your laws to the contrary.

It is easy to see that this process may go on and the Government still maintain an arbitrary value of these metals by keeping up a fixed ratio for legal-tender, while a different ratio will exist for commerce and the markets; but this will be done at the country's loss.

If for any reason you make silver answer all the purposes of gold, and the market value of gold anywhere is greater than the rates fixed by law for silver, it is an injury to the holders of gold if they do not use it at its greater commercial value, and if silver can perform its uses as money, wise economy both for the state and themselves demands that they shall do it; and the Government, therefore, can not maintain a fixed ratio or relative value between gold and silver any more than it can between any other values. A greater value of either gold or silver bullion in any of the great markets of the world will make a difference in the value of gold and silver coin in all parts of the world.

LEGAL-TENDER LAWS MAKE VALUES ONLY FOR LEGAL TENDER.

Legal-tender laws will maintain and enforce relative values or a fixed ratio only for legal-tenders; but this will be avoided by fixing the contract price or money value in the cheaper metal or the greater amount, making allowance for the future depreciation.

PERMANENCE OF SILVER MONEY.

How is it then that France, as has been shown in this debate, with her successful industrial system, has always and still maintains both metals and a fixed relative ratio of value? And how is it that we ourselves have and are successfully doing so? And how is it that, as Mr. BECK has pointed out, gold has continued since silver coinage to flow in upon us in a continuous stream and to stay with us? How is it that a gold and silver dollar is equally with us the measure of values and that men deposit gold and take a silver certificate in place of it?

A proper consideration of these facts and their causes will not lead us to any conclusions adverse to the conclusions we have reached, but will serve to demonstrate the solid and incontrovertible grounds on which a sound currency must rest and how they go hand in hand with the use of both silver and gold in almost and perhaps altogether unlimited quantities as money.

How is it that the exclusion of either from use as money might be a calamity of vast and ruinous proportions, and the admission of both in unlimited quantities could only be a source of wealth and prosperity?

These facts will find their explanation and their cause first in the fact that silver, like gold, is a precious metal suited by its intrinsic qualities for the arts and ornamentation, an object of universal desire and demand, portable and divisible, and by reason of these qualities is in and of itself a measure and representation of value, and always will be, independent of and without any action of the Government. It is easily stored and kept and is not perishable, and therefore adapted by nature for accumulation and hoarding. It is to these qualities more than its legal-tender properties that its real use as money is due; but when the coinage and legal-tender use is added it is easy to see that an additional use is provided, and by nature's eternal law not gold or silver but use alone can give value to anything.

USE AND VALUE INTERCHANGEABLE.

We reach, then, a clear conclusion as to which there can be no contention—there can be no value without use. Human use and human values are eternally interchangeable. A use may be created by Government only to the extent of its own capacity to use. The uses of men for money are to measure values and represent values in other things, not for the moment but as permanently as possible, to the end only that the products of labor may be easily exchanged and transferred.

To give to anything the capacity of measuring another thing, and transferring it, we must understand that when I transfer to you a gold or silver dollar I only transfer to you a value which by comparison bears a relation to some other value, and when it is exchanged with another for something he possesses, it is only a barter or exchange of values according to the estimate each one places on the thing he has. The fact that one has money and the other has something else makes no difference. The gold or silver called dollars or half or quarter dollars is only a convenient device and substitute for pounds and ounces, grains and pennyweights, and when paper is used it is only a promise to transfer so much quantity of value of commerce.

THEORY OF MONEY.

The theory of money, as I understand it, is that the people of a community, State, or nation select some product of man's labor as a common standard of value. This may be wheat, or corn, or cotton, or cloth, or gold, silver, lead, or anything else. To be a standard of value it must first have a value or use to every one, or to so many people that it will remain a value and be in constant demand, so that it may always be itself exchanged for anything that any one has. Second, it must be susceptible of division into small and portable quantities convenient for use and carriage. Third, it must be imperishable. The community find these qualities necessary to anything that shall be a common means or standard of exchange for their labor or products.

To test this let us consider if it would be possible for the community to take some thing or product that had little or no value, and by agreement of every man in the community agree that it should be a common standard of value, and that each person will take it for his labor or products. It may be copper or iron. The quantity is abundant. Every one can get it, and no one needs it except for the purpose of convenient exchange or measurement of value. The man who wants payment for a day's labor is offered payment in the iron or copper which he has agreed shall be a common standard. The question immediately occurs, How much copper shall I take for my day's work? What proportion of quantity shall be borne by one to the other, and how shall it be determined? Unless there be a value of the copper in its relation to other commodities fixed by its use and the demand for it, there would be no other method than for the community by law to fix the quantity of copper which should pay for the day's work and the quantities which should pay for everything else. This would be to fix prices of everything, or the relative quantities which should be given.

If such a system should ever be adopted, that of fixing by some common arbiter relative values, some much more convenient method than a common money standard and measure of value would be adopted. It will be observed that our modern system of exchanges for cotton and produce and stocks, and transfers on warehouse certificates and drafts and clearing-houses for values are to some extent in this direction. But if the Government were to stamp a certain quantity of iron or copper and lay a tax of a certain amount, payable in commodities in wheat, corn, or anything else, and agree to receive this copper or iron or corn for such amount, they might thus pay it out for any obligations they might have, and create a use to this extent and give it a value, and it would only be a promise to pay or deliver to this extent, and thus give a certain value to the coin.

To illustrate the nature of money and its relations to value and exchange and understand with precision and clearness let us suppose that all production of every kind was required in countries convenient to their production to be stored and certificates of deposit divided into small and large quantities delivered to each owner and the value of these products justly arranged each day in proportion to relative cost of production and quantity of supply and demand for their use.

It is quite evident that these certificates of deposit would be readily and conveniently exchanged by those who needed such things as they did not have. And the certificates of deposit of the article most needed and most in demand would be the most frequently transferred, and for this reason would be best suited for the use of those who did not wish to use the article deposited, but instead to keep it, provided the article to be kept was not perishable. This class of certificates would be readily received by the laborer and by every one else; and if an article greatly in demand and of necessary use was in much less quantity or smaller supply than others, it is quite evident that its relative value to others would constantly increase and the value of the certificates which represented it would steadily increase.

The certificate representing the commodity or product most in demand and not perishable would evidently be the current and preferred representative and standard of value or money. It is also evident that it would cease to be money or a representative of value when there ceased to be a demand for it. It is also evident that in proportion to the abundance or scarcity of this commodity would be the quantity of the products which would be exchanged for it.

It is a representative of value only because it can be and only so

long as it can be readily converted into other values. It can only be converted readily into other values so long as there is a use and demand for it. This use and demand may be either natural or artificial. And here we are to inquire how far an artificial use and demand may be substituted for a natural use and demand in making any article a commodity of universal use and demand and a representative of value.

ARTIFICIAL USE FOR MONEY CREATED BY LAW.

It will be borne in mind that being a representative of value is the special characteristic of money, and that the functions of mere exchange of commodities can be and are becoming readily and conveniently performed by other instrumentalities than money—by warehouse certificates which are assignable, by bills of lading, drafts on shipments, and the obligations of individuals or associations.

It is therefore the legal-tender quality or power created by law that gives to money an artificial or fictitious value. And this it will be seen is a powerful factor in creating a use and demand and value, but has its limits. Suppose Government and all governments were to declare that copper bullion or iron should be a legal tender in the payment of all debts now existing, unless the moral sentiment of the people by its non-observance should render such a law nugatory it would create a value for copper to the extent of existing debts, but it would not be a permanent representative of value to discharge future obligations, because the confidence in its permanence which comes from tradition and long use, and the observance of natural value and use and demand which comes from it, would make people avoid its use and make exchanges in kind and substitute other methods and representatives of value.

If such a law could have an instantaneous effect it would give to the laborer for his day's work something which would not be a representative of value, and the aggregate of the amounts thus paid would be vastly more than all others, but its disastrous effect would be on those who own the sources of supply, the owners of commodities who had placed them on the market and distributed them on the faith of getting a value for them in other commodities. Money, then, is a permanent representative of value, so far as Government is concerned, solely because of its legal-tender power. And it is a grave question whether in the future economies anything but that which is agreed on or contracted for should be a legal tender.

EFFECT OF THE ABUNDANCE OR SCARCITY OF MONEY.

Let us consider, then, the effect of the abundance or scarcity of any commodity which is a measure and a representative of value, for it is solely in its quality as a representative of value, whether it comes from its legal-tender power or from other causes, that we are concerned with money.

It is upon this quality of money that its good and bad uses depend; and by virtue of this it is that the ingenuity of men has made it a device and means for appropriating the labor and profits of the great body of the people and holding them in a subjection as hard and perhaps more oppressive than the milder forms of slavery—the subjection of want and suffering.

ABUNDANCE OF MONEY.

It may be very abundant; its relative value to other things will be less than if it were very scarce; that is, you will give more money for a pound of cotton, corn, or wheat, or for a day's labor than you would if it were scarce. But how would this affect the relative value of corn, wheat, cotton, and labor to each other? The seasons will not change nor the soil either lose or acquire more fertility, or labor become steadier and more skillful because of the abundance or scarcity of money. All the causes which affect the relative value of these commodities to each other can not in any way be affected by the abundance or scarcity of money. What good or what harm will the fact do that a larger quantity of money will have to be given for these commodities? It is quite manifest that this fact would neither injure nor benefit any one.

If any one should be injured it would be the person who owned the money, which in relation to other things or its purchasing power, as it is termed, would be of less value. Hence it is very clearly the interest of those who own mines or have hoarded money or deal in money that it should not be too abundant, and that they should regulate its quantity. It is said the abundance or scarcity of money creates speculative values, or uses beyond the natural use and demand. And this is an evil inasmuch as these values will not be permanent, but their permanency will depend on the permanency of the abundance of money, and the relative value of commodities, at even an inflated value, can not be disturbed by the abundance of the representative of value or of money. The abundance of money can only affect values, whether real or speculative or inflated, by being exchanged or paid out for labor or commodities or products of labor.

Let us consider, then, how this occurs. The natural wants of men lead them to labor, for they sow and reap, and harvest and manufacture, and have as a result the products of the field, the forest, the sea, and the workshop. For all this nothing but labor and nature are necessary. Money of gold and silver or anything else can not produce these results. They are the result of nature and labor and the qualities of man. Having these products, they are to be exchanged in the quantities desired. Among them is a commodity of general and universal use and desire, which becomes, by virtue of this universal use and demand for it, and of its imperishable quality, a representative of value.

This is one of the products of labor, and its relative value to other commodities is measured just as they are, by the amount of labor it took to produce it, and by the use and demand for it. Its only natural use is for ornamentation or for art, but this is found to be a universal use and demand. The exchange can be made without it, but by degrees it is found to be a convenient use for effecting the exchange of these products. And so it is that in this community the miner gives his precious metals, valuable only for art, for other commodities, and being imperishable it is a product and a value both for ornament and for exchange.

The amount of this product depends on the labor invested in it and its chance discovery and production. It is not a necessary means of exchange nor a necessary representative of value, nor has it any arbitrary power of itself to alter values or change the relations of other products to each other.

On the basis of permanent use and value, supplemented by and intermixed with other means of effecting exchanges, commerce has given permanent use to the product of the mines as a representative of value. Left to itself and to natural causes and to the relations of business, money would only bear its part in the exchange of commodities and as a measure of value, and be only of beneficial influence. Its value, like anything else, and its relation to other commodities would be regulated by natural causes, that is, cost of production, abundance or scarcity, and use or demand for it. But on the basis of this natural use Government has intervened certain arbitrary influences by making by law a particular commodity a legal tender, requiring that all debts, interests, and obligations be discharged in it. How far it was wise to interfere with the perfect freedom of contract or to seek to create an arbitrary value and use of a product of uncertain quality, and sometimes of impossible procurement, is a question which the wise and better economies of an age soon to come will determine for itself.

In connection with this resolution we can see that a power by law and custom now exists which compels all transactions to be paid and satisfied in legal-tender gold and silver and legal-tender paper money, and that the abundance and equal interchangeable value of these several kinds of money is of the greatest and of equal importance; and whatever causes shall have the effect of withdrawing either of them from circulation by destroying the confidence of the people in either, and thus making that one which remains the most valuable the object of general and extensive desire, will be to limit and confine the use of the cheaper metal to the single purpose of paying such debts as may have been contracted before its depreciation, or to such debts as may be contracted on the basis of a future depreciation.

It is clear that on this basis the end would be soon reached when the cheaper and depreciated coin would cease to be used as money and the dearer metal and substitutes based on it would become the sole circulating medium, and the legal-tender law be avoided by the cessation of all credits and contracts to be performed in the future.

We are led to the conclusion that in whatever view we may regard money, with its great power over the business and happiness of all the people, with the facility and success of combinations to affect its value, whether it be by an interference with the fixed ratio prescribed by law or in other ways, the preservation of the interchangeable value of gold and silver is an object worthy of the efforts of the Government, and the treasure that may be necessary to be used to accomplish it is neither idle nor unemployed in the interests of the people.

Trade-Dollars—They Ought to be Redeemed.

SPEECH

OF

HON. GEORGE E. SENEY,

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, August 4, 1886,

On the conference report on the disagreeing vote of the two Houses on the amendments of the Senate to the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Mr. SENEY said:

Mr. SPEAKER: Soon after the formation of our Government Congress authorized the coinage of a silver dollar and fixed its weight at 416 grains of standard silver. The law was passed in 1792, and was approved by George Washington, then President of the United States. This law was in force forty-five years. The number of silver dollars coined during this period (1792 to 1837) was 1,440,517. All of this coin, except one thousand pieces minted in 1837, was coined before 1806.

The Congress, in 1837, reduced the weight of the silver dollar from 416 to 412½ grains of standard silver. The law making this change was approved by Andrew Jackson, then President of the United States. It was in force thirty-six years. While in force, 6,605,321 silver dollars were coined.

The coinage of silver dollars under the law of 1837 ceased in 1873,

and was resumed five years later under the law of 1878. Our total coinage of silver dollars in eighty-one years (1792 to 1873) was 8,045,838. Of this number, I repeat, 1,440,517 were coined under the law of 1792 and 6,605,321 under the law of 1837. The former contained 416 grains of standard silver and the latter 412½ grains. While the dollar of 1792 contained the most silver, its money value was the same as the dollar of 1837. Both were a legal tender. The silver dollars coined under these two laws were current money at all times and in all places. Never, at home or abroad, was either at a discount. In our own country these silver dollars, prior to 1861, commanded a premium. The best paper dollar we had was below them in money value.

Perhaps no coin ever minted by the Government was prized as highly by the people as the silver dollar of our fathers. The dollar of Washington and the dollar of Jackson are the endearing names given to the dollar of 1792 and the dollar of 1837 by the American people. Few, very few, of the Washington dollars remain. Long ago they ceased to circulate as coin. Of the 6,605,321 Jackson dollars put out between 1837 and 1873 many are lost—lost by shipwreck, by fire, and by other casualties. Many have been consumed in the arts and in the manufactures. Thousands and thousands have gone into the melting-pots to be minted into subsidiary coins. A large number no doubt are in foreign countries—some to return, others to stay. Many of these dollars are hoarded, and not a few are held as keepsakes. The number of these coins at home or abroad in 1873 it is impossible to state. The number is believed to be small. We all know that none were in circulation.

For the twelve preceding years there were no silver dollars in circulation. From early in 1861 until years after 1873 the business of the country was transacted with paper money. Coin during most of this period commanded a high premium. During the war it centered in the hands of a few and seldom was any seen, except in some hiding-place. During the period to which I refer there were among our own countrymen millions whose eye never saw and whose hands never touched a piece of coin, either silver or gold. Never before in our history had the coin in our country been so completely hid from public view. Years after the close of the war, when silver coins again circulated, they were at first great curiosities. Well do I remember hearing a young man remark that he had never seen any silver coin. This was long after the war. No wonder. At the outbreak of the war the young man was a child.

Unquestionably one of the country's most pressing needs in 1873 was more silver dollars. Of the few then outstanding none, I repeat, were in active circulation. Then the business of the country was transacted without the aid of silver dollars. Now they are indispensable. This is shown by the fact that during the past seven years 231,257,594 have been coined by the Government at its mints. Our paper currency in 1873 was irredeemable, and about $732,000,000 was outstanding. The law of 1837 was then in force, and the silver dollar it authorized to be coined was worth in the legal-tender paper money of the United States (greenbacks) a premium of 11 to 17 per cent. Nothing stood in the way of executing this law. No legislation was necessary. A mere executive order would have put in motion all the machinery used at the mints for the coining of the dollar of 1837. Surely nothing could have been more pleasing to the people than the continued coinage of their favorite dollar.

This coin was no experiment. For thirty-six years it had met every want and satisfied every expectation. It was a complete and perfect success—a success in peace and a success in war.

The farmer and the mechanic, the day laborer and the wagemen and wage-women of our country were content with the dollar of 1837. Among all industrial classes the Jackson dollar had not a single enemy. The Democratic party was its friend. Outside of that party were those who disliked the Jackson dollar. They disliked it because they disliked those who made it. To them this Democratic dollar had no charms. Their delight was in a dollar called by some other name. The enemies of the dollar of 1837 were the friends of the dollar of 1873.

The Jackson dollar was dropped from the coin-list and the trade-dollar put in its place. The law consummating this great wrong was passed February 12, 1873. At that time the Republican party was in the full and undisturbed control of every department of the Government. Of the more than one hundred thousand office-holders whose names were then upon the Government pay-roll, all, with a few unimportant exceptions, were representative men of the Republican party.

The trade-dollar law was approved by Ulysses S. Grant, then President of the United States. It passed the House of Representatives, composed of 134 Republicans and 104 Democrats, and of which James G. Blaine was the Speaker. In the Senate the presiding officer was Schuyler Colfax, then Vice-President of the United States. In that body were 52 Republicans and 17 Democrats.

Who, then, but the Republican party is responsible for the coinage of the trade-dollars? Had the men in that party who favored trade-dollars and now oppose redeeming them at their par value stood for the Jackson dollar no trade-dollars would have been made. All that were made, near forty millions, are still outstanding, worthless as money, but good as merchandise, at one-fifth less than their par or face value. The Republican party, I repeat, is responsible to the country for the trade-dollar.

The law authorizing its coinage was passed by Republican votes, in a Republican Senate and in a Republican House, and was approved by a Republican President. The Republican party, through its office-holders, executed the trade-dollar law. Every Government official who assisted in getting trade-dollars into circulation, whether at home or abroad, was a member of the Republican party.

The trade-dollar law is a part and parcel of the financial legislation of the Republican party. Had the trade-dollar proved a success the Republican party would, in the language of all its platforms, "pointed with pride" to the trade-dollar law as one of its financial achievements.

The law was a very great failure. So, too, was the trade-dollar. Let the responsibility for flooding this and other countries with trade-dollars rest where it belongs.

The trade-dollar law was passed in February, 1873. In less than two years thereafter 3,588,900 trade-dollars were coined at the United States mints and passed from the hands of the Government to the hands of the people. In 1875 and 1876 there were 11,829,550 coined. In the two years following (1877 and 1878) the coinage was 20,540,910. For six years the law was in active force, and during this period 35,959,360 trade-dollars were made by the Government at its mints to be circulated as money at home and abroad.

Of this coinage $15,418,450 was under the administration of President Grant and $20,540,910 was during the time Mr. Hayes was acting as the executive head of the Government. Each and every one of these trade-dollars is in bad repute. None are current. All are depreciated. Their par value is $1. Their money value is 20 cents less than a dollar. This experiment in finance foots up a loss in dollars and cents of $7,191,872.

The loss in good name and high honor and true faith admits of no estimate. Upon whom shall this loss of $7,191,872 fall? Shall the loss be made good by the Government retiring these trade-dollars at their par value, or shall it be borne by the holders of this coin?

Ought the trade-dollar to be retired? This is not a new question. My information is that in each Congress since 1876 bills were introduced providing for retiring the trade-dollar. They were referred to the proper committee, and in committee they slept quietly for the remainder of the session.

In the first session of the last Congress a bill to retire all outstanding trade-dollars at par passed the House April 1, 1884. The vote stood 198 yeas, 45 nays, 79 not voting. Two days thereafter the bill was before the Senate and was referred to the Finance Committee. In this committee the bill was permitted to sleep the remainder of the session, which ended in July. About five weeks (January 28, 1885) before the final adjournment of the last Congress the bill with amendments affecting the coinage of silver was reported to the Senate. General debate followed, and the Senate closed its labors on the 4th of March without voting for or against the bill.

In the debates in that body last session strong ground was taken against the passage of the House bill. Senators said that the Government is under no obligation to redeem the trade-dollar, and for this reason opposed the bill. The argument is that the trade-dollar is not a Government coin, and therefore the Government is under no obligation to make good to the holders their loss.

Is the trade-dollar a coin of the United States? The answer to this question is found in the Revised Statutes. Section 3513 provides 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, a dime, or ten-cent piece." That half-dollars, quarter-dollars, and dimes are by this section made United States coins no one disputes.

Why, then, is not a trade-dollar a United States coin? Section 3511 of the same statute provides that "the gold coins of the United States shall be a one-dollar piece; a quarter-eagle, or two and a half dollar piece; a three-dollar piece; a half-eagle, or five-dollar piece; an eagle, or ten-dollar piece; and a double eagle, or twenty-dollar piece." Are not each of these coins of the United States? The same statute, section 3515, provides that "the minor coins of the United States shall be a five-cent piece, a three-cent piece, and a one-cent piece." Are not these, too, United States coins? If not, why? Most unquestionably all of these coins are coins of the United States. The law so enacts. If they are not, then there are no United States coins. Except foreign coins, our laws know none other. These coins of our Government stand upon equal footing. If one is a Government coin, so, too, are each of the others.

If the trade-dollar is not a United States coin, then neither of the others are entitled to that name. The trade-dollar had debt-paying power, and this, under our Constitution and laws, made it money. Bullion has no such power. Congress has exclusive power over coinage, and whatever is coined by its authority is, necessarily, Government coin. The weight and fineness of all our coin, including the trade-dollar, are prescribed by law. All are made at the Government mints and with the labor of Government employés.

The same devices, legends, and inscriptions required to be put on the trade-dollar are found upon all the coins of the United States, except the one and three dollar gold pieces, and the dime, the five, three, and one cent pieces. Upon these excepted coins the figure of the eagle

is omitted, and weight and fineness are not required upon any coin except the trade-dollar.

While the law authorizing the trade-dollar was in force that coin had the same identical place in the statute-book which for thirty-seven years before had been occupied by the standard dollar of 1837. If the latter is a coin of the United States, and this no one denies, why is not the former? From 1873 to 1878 the only silver-dollar piece made at the Government mints was a trade-dollar. Our laws, during those six years, provided for the coinage of no silver-dollar piece except the trade-dollar.

If the trade-dollar is not a Government coin, then it follows that the only silver dollars of the United States in circulation or outstanding in 1873 and in 1878 were those coined prior to 1873, under the laws of 1792 and 1837. Few of these, we have seen, were then in circulation. The further coinage of silver-dollar pieces was in 1873 one of the urgent demands of that time.

In meeting this demand the Congress changed the silver-dollar piece of 1837 in a few and it may be unimportant particulars, and provided for its coinage as changed under the name of a trade-dollar. In weight and fineness the old and the new dollar differ. In width and thickness, in form and appearance, they are substantially alike. The face of the one, like the face of the other, shows a dollar piece. To the unpracticed eye the difference between the two coins is not readily distinguished.

It is only upon close inspection that the real difference appears. Both are coins of the same Government and made only by its authority. It is not among the possibilities that the one is a Government coin and the other is not. Both are money, and both were intended for money by the coining power. Like all the Government coins, a trade-dollar was made a legal tender in payment of debts. All the gold coins of the United States are legal-tenders without limitation in amount.

The trade-dollar law made that coin a legal tender in amounts not exceeding five dollars in any one payment. This provision was in force for three years and more and then it was in effect repealed. All the other silver coins of the United States are legal-tenders in like amount. So, too, are all our minor coins not above 25 cents in one payment.

It is evident that in enacting the law the same value was given to the trade-dollar as the law then existing gave to all other silver coin.

In sums of $5, or less, the trade-dollar was made equal in value, dollar for dollar, with either of our gold coins. In legislating the trade-dollar into the coin-list what more could have been done than was done to make it good and lawful money of the United States? Manifestly, the Government did all it could do to make that coin the silver-dollar piece of the United States. To counterfeit a trade-dollar is a felony, punishable by heavy fine and long imprisonment.

Counterfeiting either of the other coins of the United States is a like offense and punishable in like manner. All general legislation respecting United States coins applies as well to the trade-dollar as to either of the other coins upon the list. There is no legislation special in character which makes a trade-dollar in any material respect different from the other silver coins of the United States. In giving it legal-tender value Congress made it coin.

In taking this value away, three years later, Congress made it bullion. The law is still on the statute-book. It has never been repealed. Why, then, is not the trade-dollar a Government coin? Can there be a doubt that in enacting the trade-dollar law that it was meant and intended to better the dollar of 1837 and make it, under a new name, the silver-dollar piece of the future? The dollar of 1837 then was at a high premium and unquestionably was the favorite coin of the people.

The enemies of this dollar were bent on legislating it out of the coin-list, and equally bent on legislating something else into its place. More and finer silver, it was thought, would give the trade-dollar a value above that of the old dollar piece. An increase in weight and quality was well calculated to accomplish this end.

With two silver dollar pieces in circulation—one containing 420 grains of silver and the other 412½ grains—it might well be expected the former would speedily drive the latter into the melting-pots and leave the field clear for the trade-dollar.

But, probably, that which more than anything else secured for the trade-dollar popular favor both at home and abroad was the inscription upon its face, "In God we trust." These words express better, perhaps, than any others the religious belief of our people. Certainly there could be nothing upon our coin more appropriate and nothing that would inspire more confidence in the integrity of our Government.

Our own people, and people of like faith everywhere, looked upon this inscription as a covenant of the Government that the trade-dollar was one of its coins, and that its par value would be always and ever maintained.

In the execution of the trade-dollar law its friends had everything their own way. Taking advantage of the demand for silver-dollar pieces they pushed the coinage and the circulation of trade-dollars by methods known and unknown.

Nearly thirty-six million were made and put into circulation by the Government within five years—almost five times the number of silver-dollar pieces coined and circulated in the preceding eighty-one years. Daily, from 1873 to 1878, the Government mints turned out twenty thousand trade-dollars. The coinage was forty each working minute for a period of nearly six years.

In July, 1876, 15,631,000 trade-dollars were in the hands of the people. Each one of them was a full legal tender. Used singly or five at a time they had all the money value it was possible for the Government to give. In stamping upon the face of each of these money pieces the words "trade-dollar" the Government said to all to whom they might come, this is a good and lawful dollar of the United States.

Upon the faith of this imprint these coins were taken from the Government and passed from hand to hand among the people in every part of the country. The law, it must not be forgotten, obliged every one to take these trade-dollars at par. Labor, skilled and unskilled, was paid its wages in trade-dollars. They paid for the products of the farm and of the workshop. At the butcher's and the baker's, with the grocer and the shopkeeper, and at market places they were current coin.

In the face of all that the Government has said and done respecting the trade-dollar are we under no obligation to make good what the people have lost by the depreciation in this money? Is not the Government bound to make good to the uttermost the gold coins made at its mints? Who will say that our silver coins less than a dollar are not the money of the Government, or that in honor the Government is not bound to keep them at par at all times and under all circumstances? If there is any obligation upon the Government to maintain the par value of our fractional silver coins, equally binding is the obligation to make good the trade-dollar.

For the redemption of the circulating notes of the Government (greenbacks) the faith of the Government is solemnly pledged. Equally strong should be the pledge respecting all of the coins of the Government. Look into the statute-books and you will find that the Government is obligated to redeem national-bank notes when their redemption has been refused by the issuing bank. Those who held trade-dollars when they fell below par have a stronger claim upon the Government to have their loss made good than have the holders of national-bank notes for the payment of their bills in case payment is refused by the bank.

There is every reason why the Government should redeem its own issues, but no reason why it should stand good for the issues of individuals or of corporate bodies. The holders of our paper currency have all the indemnity against loss the Government can give. Equal indemnity ought to be given to the holders of our coins.

There is nothing to be lost by exchanging trade-dollars for the standard dollar of 1837, which the act of February 28, 1878, authorizes to be coined. The trade-dollar contains the most silver. Exact computation shows that fifty-five trade-dollars will make fifty-six standard dollars. The difference in the weight of the two coins is 7½ grains. In this excess is value sufficient to meet the entire expense of melting the one to coin the other.

It is estimated, correctly it is believed, that the recoinage would make a profit to the Government of three-fourths of 1 per cent. on each dollar recoined, or $7,500 on each one million pieces. Existing laws require the Director of the Mint to purchase monthly $2,000,000 of silver bullion for coinage into standard silver dollars. Trade-dollars are bullion and have been since Congress in 1876 said they were not legal-tenders. Let them, then, be purchased at par, monthly, instead of other bullion, and in this way, if in no other, they will soon reach the melting-pots.

Mr. Speaker, it has been said that the Government is under no obligation, legal or moral, to redeem the trade-dollar, because that coin, it is alleged, was not made for use at home but for export and use abroad. Our trade with China and other remote countries it is claimed made a demand for a silver-dollar piece different from any previously coined, and that to promote this trade the law authorizing the coinage of trade-dollars was enacted.

It is possible that in voting for the trade-dollar law a few had these considerations in their minds. It is possible, also, if not probable, that others in voting for the law had in their minds a silver-dollar piece for circulation and use among the people of our own country. The trade-dollar law, it will be noticed, is perfectly free from hint or intimation as to the purpose of Congress in enacting it. Nor is this purpose suggested by the words and figures which are inscribed upon the face of trade-dollars.

The law simply enacts that the trade-dollar shall be a silver coin of the United States, that its weight and fineness shall be inscribed upon its face, and that in sums not exceeding $5 it shall be a legal tender in payment of debts. Surely there is nothing in this to authorize the statement that trade-dollars were to be coined for the use of people living in countries far distant from our own. Indeed both the letter and the spirit of the law plainly show the legislative intent to be the making of a coin for the use of our own people.

When it is remembered that the trade-dollar law put an end to the further coinage of the dollar of 1837, and that but few comparatively of these dollars were then outstanding, and that for five years thereafter trade-dollars were the only silver-dollar pieces authorized to be coined at our mints, it will be seen that the assertion that our people were to have none, but that other people were to have all, of the trade-dollar

coinage, has no foundation in fact. He who asserts that trade-dollars were not coined for general circulation among our own people certainly forgets that part of the trade-dollar law which makes them a legal tender in sums not exceeding $5 for the payment of debts.

If trade-dollars were coined for circulation in foreign countries this legal-tender provision was of no sort of account. If coined for circulation in our own country the provision was indispensable in making them acceptable to our people. But if it be true that trade-dollars were coined for the sole purpose of circulation and use abroad, are not the obligations of the Government respecting them the same as if the coinage had been made for the exclusive use of our own people?

Trade-dollars are United States money wherever they are held. The obligation of the Government to the holders of this money is the same whether they live in Asia or America. The people in foreign countries and the people in this country took these pieces of silver trusting that the Government, that said they were dollars, would keep good its words. In compelling our people to receive them at their par value the Government put itself under an obligation, binding in morals and in law, to maintain this value and make good any loss from depreciation. This obligation in honor can not be ignored.

Perhaps the strongest opposition to redeeming trade-dollars comes from those who assert that the Government has no property in them and had none in the silver from which they were made. Neither of these assertions is founded in law or in fact. Trade-dollars in large numbers were made from silver bullion owned by the Government and in stock at the mint when the trade-dollar law was passed. Surely no one will claim that the property of the Government in this coinage is not absolute and exclusive. Large amounts of silver bullion were purchased by the Government after the passage of the law, and from it many trade-dollars were coined. That the Government had exclusive property in this coinage admits of no dispute.

The balance of the trade-dollar coinage was made from bullion owned by individuals and corporate bodies, and by them brought to the mint to be coined into trade-dollars at their own expense.

In this bullion, and also in the coinage it made, it is said that the Government has neither property nor interest, and is therefore perfectly free from any and all obligation to redeem the trade-dollar coinage. The coinage law, we are told, authorizes this view of the subject.

The part relied upon enacts "that the owner of silver bullion may deposit the same at any mint to be formed into bars, or into dollars of the weight of 420 grains troy, designated as trade-dollars." Another part of the same law is "that the owner of gold bullion may deposit the same at any mint, to be formed into coin or bars for his benefit." If the tenor or effect of these two laws is unlike it is in a single particular. The gold bullion, it will be noticed, is to be formed into coin or bars for the benefit of its owner. For whose benefit the silver bullion may be coined into trade-dollars the law does not inform us.

There is therefore far greater reason for asserting that the Goverment is obligated to maintain the par value of the trade-dollar coinage than the gold coinage from bullion deposited to be formed into coin "for the benefit of its owner." If it has been claimed at any time or place that the Government is under no obligation to maintain this gold coinage at par, the fact has escaped general attention. In the particular under discussion this gold coinage and the trade-dollar coinage stand upon the same footing. The obligations of the Government respecting the one are the same respecting the other.

Whether silver bullion after its deposit at the mint for trade-dollar coinage becomes the property of the Government, or remains the property of the depositor, is a question which the coinage law does not determine. Considerations outside of this law must necessarily settle this question. If bullion deposits were kept separate and apart so that the identity of each were preserved, and the depositor received the coinage from his own bullion, then, probably, in strict law, both bullion and coinage were the depositor's property.

On the other hand, if the deposits were mixed and mixed also with the bullion owned by the Government and all were kept together as common stock from which all silver used at the mint was taken, then, upon principles recognized in every American court, both the bullion and its coinage were Government property. From the mint we have the information that all silver bullion, after it is assayed, is put together and so kept as common stock. From this stock all silver is taken as needed for coinage or other use.

Upon the deposit of buillion to be coined into trade-dollars its value was ascertained, and this was paid to the depositor in trade-dollars. Those trade-dollars were coined from the general stock, and were kept on hand in large numbers for exchange for deposited bullion.

In the light of these facts it will not do to assert that the Government has no property in the trade-dollar coinage. The assertion is not sustained by the facts or the law. From this course of dealing it may be well said that the Government upon paying the depositor the value of his bullion in trade-dollars was the absolute owner of the deposit.

In discussing the duty of the Government respecting the trade-dollar coinage the claims of those who hold trade-dollars made from their own bullion are not to be considered. Against such claims, if any there be, the objection that the Government has no property in what they hold might have force. But the objection has no strength against those who hold trade-dollars by a different title. Those who hold trade-dollars received in the usual and regular course of business and trade have indefeasible claims upon the Government. To them the Government stands as the maker of their money. They hold it for value.

Coined at the mint from Government silver and with Government labor, in the name of the Government and by its authority and by the Government put into circulation, why is not the Government bound to them for its face value? Look upon the two sides of these coins. Both are covered with inscriptions. What do they mean? Without them, these pieces are bullion; with them, they are United States coins. These inscriptions inspire confidence and trust. They imply, if they do not express, a guarantee as to value upon which the people might rightfully rely. No stronger pledge of honor and faith is it possible for the Government to give. In law, in equity, in sound morals, in good conscience the authoritative sayings and doings of the Government respecting trade-dollars estop it from denying its obligation to maintain their par value.

Nearly one-half of the trade-dollar coinage was made a legal tender in payment of debts. This part, amounting to $15,631,000, the Government compelled the people to accept at its par value. Is there no obligation upon the part of the Government to take it back at the same value? To say "no" is repudiation outright. When the bill to redeem the trade-dollar was under discussion in the Senate (February 5, 1885) it was stated that trade-dollars were made legal-tenders inadvertently. Somebody blundered, said the distinguished chairman of the Senate Finance Commitee, in making trade-dollars a legal tender. To whom did the honorable Senator from Vermont [Mr. MORRILL] refer? Was it to the Republican House or the Republican Senate by whose vote trade-dollars were made legal-tenders? Did he refer to the Republican President who gave his approval to the legal-tender provision of the trade-dollar law?

Let this grave charge of inattention to public duty be answered by the party then in power. Legislation respecting the trade-dollar is open to a graver charge than that of blundering. The joint resolution of July 22, 1876, is more than a blunder.

The resolution reads, that after July 22, 1876, trade-dollars should cease to be legal-tenders, and after that date all trade-dollars coined should be sent out of the country. On the day this resolution passed the Congress of the United States and was approved by the President there were 15,631,000 legal-tender trade-dollars in circulation among the people. The truth of this statement has been questioned.

The official reports show that 15,631,000 had been coined at the mints. Possibly the whole of this coinage had not reached the hands of the people. These trade-dollars were held largely by the laboring and industrial classes of our people. They were in the pockets of almost every wageman and wage-woman. Farmers held them. Tradesmen, large and small, had them in their tills. The savings of the poor were in these coins, and they formed a part of the holdings of those classed as not rich and not poor. All had been honestly acquired and all were honestly held.

The law, then three years in force, said they were good and lawful money of the United States, and upon the faith of this law a million or more of our countrymen were the lawful owners of this trade-dollar coinage. Duty, obligation, faith, honor, all stood in the way of the Government impairing the value of these holdings. Without notice, with no warning, suddenly, while in the midst of great financial troubles, precipitated by the panic of 1873, the Congress legislated all money value out of these trade-dollars.

By this quick transition from coin to bullion our people had $15,631,000 less money and $12,304,800 more merchandise. Three million three hundred and twenty-six thousand and two hundred dollars of value wiped out by a single resolve of Congress may appear in this age as a mere blunder in legislation. Let us hope that those who are to come after us will not regard such work as rank repudiation. We are a debt-paying people. Anything savoring of repudiation is universally abhorred. All legislation, State or Federal, impairing in the slightest degree obligations, public or private, or rights which are vested, is repugnant to honor, to good faith, and to the organic law of the Government.

The faith of the Government once pledged ought to be maintained inviolate. If these 15,631,000 United States coins were not satisfactory money the Congress ought to have retired them at par. This could have been done without the loss of a penny either to the Government or to the holders of this coinage. The holders of this legal-tender money had rights which were entitled to some respect at the hands of the law-making power of the Government. In any legislation which made depreciation possible the honor of the Government was directly involved. But neither of these considerations seem to have had weight.

The fact, if it be such, that the greater part of these legal-tender trade-dollars were in foreign countries doing service as money does not relieve our legislation from the taint of repudiation. Whether they were coined for use in or out of this country, or whether few or many were held at home or abroad, their value was seriously impaired by the resolution of Congress. If to-day Congress would enact that from and after January next greenbacks or any of our gold coins should cease to be a legal tender the act would be regarded the world over as a breach

of honor and faith. That part of the trade-dollar coinage ($15,631,000) put out as legal-tender money, in the judgment of many of our people is still legal-tender money and will be as long as it is outstanding.

The power of Congress to make these coins legal-tenders no one disputes. The power of Congress to make them non-legal-tenders in the hands of their holders is seriously questioned. But whether or not Congress in taking from trade-dollars their legal-tender property transcended the limits of its constitutional powers need not now be discussed. Nor is it necessary at this time to do more than refer to what is so generally claimed, that the Constitution itself makes all silver and gold coin legal-tender money, and that any act of Congress otherwise providing is void.

Upon the passage of the resolution declaring trade-dollars non-legal-tenders the further coinage of these silver pieces ought, instantly, to have ceased. But the resolution otherwise provided. It authorized the coinage of these same silver pieces to be continued, without limit in amount, under the direction of the Secretary of the Treasury, upon the condition that all that was coined should be sent out of the country. Upon the authority of this resolution, and within two years after its passage, 20,540,910 trade-dollars were made at our mints.

All of this coinage, it is said, was sent out of the country. How much of it has returned is, in this connection, a matter of no particular moment. It may be well enough, however, to state that of the entire trade-dollar coinage ($35,959,360) it is estimated that the amount held in this country is from $7,000,000 to $10,000,000. Among people uninformed in our laws these silver pieces are treated as United States coins. Their appearance well justifies this belief. In form and in the inscriptions upon their face they are nearly identical with other United States coins. In other countries they were received in the belief that they were our money and in this country had money value. These people are deceived. The Government made the deceit possible, and for this reason, if for none other, it is obligated to make the trade-dollars they hold worth their face value.

We are told that the trade-dollar coinage held in this country is now in the hands of persons who bought them at less than their par value. This is urged as a reason why we ought not to retire this coinage. While I do not doubt that if we pass a law calling in all outstanding trade-dollars at par we will put money into the pockets of those who have speculated in these coins, and also make further speculation in them possible, still I am satisfied that many of these coins are in the hands of the same people who held them when they fell below par.

In my judgment it is the duty of the Government to redeem all trade-dollars outstanding.

The fact that a few who are thought to be undeserving will be profited if this is done, ought not to prevent us from doing to others what we know to be just and right.

Until trade-dollars are called in and changed from coin to bullion, or put to some other use, they will continue to speak loudly and truly of faith broken and duty not done. All outstanding trade-dollars ought to be retired at par, and that, too, within the shortest possible time.

If we would maintain our financial honor they should be withdrawn at once, and all losses made good. The public interests would be best subserved by relieving the people, and that speedily, of this depreciated money. All of it ought to be got out of the way. There should be but one silver-dollar piece. Now we have two. The intrinsic value of the one is greater than the other. The one is current, and the other is uncurrent. One is worth $1, the other is worth 80 cents.

Payment of the Surplus on the Public Debt.

SPEECH

OF

HON. JOSEPH G. CANNON,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 14, 1886.

On the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Mr. CANNON said:

Mr. SPEAKER: The labor of the first session of the Forty-ninth Congress is now substantially completed. Before we adjourn I desire to submit a statement covering the provisions made by appropriations for the support of the Government for the fiscal year commencing on the 1st day of July, 1886, and ending on the 30th of June, 1887, and compare the same with the estimates submitted under direction of the President by the Secretary of the Treasury to Congress for such service, as well as an estimate of the revenues made by the Government to meet the expenditures. Also, in addition a comparison of the appropriations for the fiscal year 1887, with the expenditures for the fiscal years 1884, 1885, and 1886, respectively. I hold in my hand a letter from the Secretary of the Treasury, transmitting tabular statements A and B, covering these matters.

I send the letter to the Clerk's desk to be read.

The Clerk read as follows:

TREASURY DEPARTMENT, *August* 5, 1886.

SIR: In reply to your application of the 4th instant I hand you tabular statement A, comparing the expenditures of the Government for the fiscal year ending June 30, 1886, with those for the year ending June 30, 1885, noting the items of increase and decrease, respectively.

Also tabular statement B, showing amount of estimates submitted to Congress by the Secretary of the Treasury for fiscal year ending June 30, 1887, and the appropriations made by the regular annual and miscellaneous appropriation bills for that year. The permanent indefinite appropriations will no doubt exceed the estimates ($118,000,000) owing to the claims arising under a decision of the United States circuit court for the district of New York, for refund of duties on cartons, covering at least $5,000,000.

Table B also covers summary of the expenditures (total) for the fiscal years ending, respectively, June 30, 1884, 1885, and 1886.

In further reply I have to say the expenditures for the sinking fund are less for 1885 and 1886, and will be still less for 1887, owing to the fact that in determining the amount to be applied to the fund for those years the aggregate of the various coin and currency certificates held in the Treasurer's cash, as well as the cash available for the reduction of the debt and the amount held as a reserve for the redemption of United States notes under the resumption act, were deducted from the outstanding principal of the debt, whereas in former years the amount was determined without such deductions being made.

Respectfully yours,

C. S. FAIRCHILD, *Acting Secretary.*

Hon. J. G. CANNON,
House of Representatives.

I will insert table B, as follows:

TABLE B.

Title of bill.	Estimates, 1887.	Appropriations, 1887.
Pension	$75,830,200 00	$76,075,200 00
Military Academy	412,075 70	297,805 00
Fortifications	3,396,000 00	
Consular and diplomatic	1,604,961 60	1,364,065 00
Navy	30,836,357 74	*16,489,556 72
Post-Office	54,986,166 89	54,365,863 25
Indian	6,051,259 84	5,561,262 84
Army	25,356,998 01	23,753,057 21
Legislative	21,523,565 62	20,654,346 37
Agricultural	651,875 00	654,715 00
Sundry civil	33,554,600 59	22,657,510 58
District of Columbia	3,839,868 99	3,721,050 99
River and harbor	10,176,920 00	14,473,900 00
Miscellaneous	3,556,519 45	†10,769,015 28
Deficiencies	15,895,122 81	13,967,372 87
Total regular annual appropriations	287,672,492 24	264,804,721 11
Permanent annual appropriations	118,910,955 00	118,910,955 00
Total regular and permanent annual appropriations	406,583,447 24	383,715,676 11
Expenditures for 1886, including $44,551,043.36 for sinking fund, and $42,830,438.18 for the postal service from the postal revenues		329,864,620 04
Appropriations for 1887 in excess of the expenditures for 1886		53,851,056 07
Expenditures for 1885, including $45,604,035.43 for sinking fund, and $45,504,624.63 for the postal service from the postal revenues		351,335,595 17
Expenditures in 1885 in excess of expenditures for 1886		21,470,975 13
Expenditures for 1884, including $46,790,229.50 for sinking fund, and $47,083,869.48 for the postal service from the postal revenues		338,000,343 31
Expenditures for 1884 less than expenditures for 1885		13,335,251 86

* Including $3,500,000 for increase of the Navy.
† Including $5,769,015.28 for judgment court of Alabama claims and expenses of court and laws approved and printed up to July 31, and bills which have passed both Houses.

The Secretary of the Treasury in his annual report to Congress estimated the revenues for 1887 at $315,000,000; the Postmaster-General estimated the postal revenues for 1887 at $47,542,252.64; total, $362,542,252.64.

So it appears that the new administration in the first year of its power asks appropriations for the service of the Government to the amount of over $406,500,000 for 1887; which is, in round numbers, over $44,000,000 in excess of the estimated revenues for the same year; in round numbers, $75,000,000 more than the total expenditures for the fiscal year 1886.

It further appears that the appropriations for the year 1887 are, in round numbers, $54,000,000 more than the expenditures for 1886, and the Secretary of the Treasury tells us in his letter just read that they will not cover the expenditures for 1887 by at least $5,000,000 for refund of duties payable from the permanent appropriations.

Mr. Speaker, it is true that the revenues for the fiscal year 1886 amounted to $380,000,000, in round numbers, including postal revenues—a larger amount than was estimated by the Secretary of the Treasury in his annual report to Congress for the year 1887, but even if the revenues for 1887 should be as great as they were in 1886, still they will not be sufficient to pay these extraordinary appropriations.

The expenditures for 1886 were made under appropriations granted by the second session of the Forty-eighth Congress while Chester A.

Arthur was President. I ask this Democratic House and the country, if in the first grant of appropriations made under this Democratic administration, with the elections next fall staring you in the face, you give, in round numbers, $54,000,000, for 1887, more than was expended in 1886, what will the appropriations and expenditures be next year in event the people give you a further lease of power and you can feel that you are firmly seated in the saddle?

Mr. Speaker, when the country comes to realize the extraordinary record of this administration it will be justly alarmed.

Especially will this be the case when the country realizes that this enormous increase of expenditures has been provided for while the President and his admirers have been claiming the attention of the country by his one hundred and two vetoes of private pension bills, which if they gave $20 per month to each claimant would only save $24,480 per annum to the Treasury.

No wonder, Mr. Speaker, that on Tuesday last, when the conference report on the sundry civil appropriation bill was being considered, the watch-dog of the Treasury, Mr. HOLMAN—who, by the by, has not been quite as vigilant as usual this session—in anguish and with indignation exclaimed, "I greatly regret the unexampled increase of offices in this bill; but at this late hour I will not, on that account, retard the adoption of the report."

Sir, the Democratic party came into power on the distinct allegation that the whole public service was honeycombed with extravagance, and with the distinct pledge that they would reduce expenditures. The truth is that there was not the extravagance they claimed; but instead of correcting abuses that did exist they have left them untouched—not only left them untouched, but have multiplied them.

Mr. Speaker, my colleague [Mr. SPRINGER] claimed great credit for this administration a few days ago, stating that it had largely decreased the expenditures for 1886 over 1885. He did not stop to say that the appropriations for 1886 were made under a Republican administration. But that the expenditures for 1886 as compared with 1885 may be seen as they are, I insert Table A, transmitted by the Secretary of the Treasury, and referred to in his letter which I had read at the Clerk's desk, as follows:

TABLE A.—*Comparison of expenditures of the Government, fiscal years* 1885 *and* 1886.

	1885.	1886.	Increase 1886.	Decrease 1886.	Items of increase and decrease.	
Customs service	$27,125,972 67	$24,165,246 36		$2,960,726 31	Decrease in—	
					Repayment to importers	$1,412,000
					Collecting the revenue and detection of frauds	124,000
					Debentures or drawbacks	486,000
					Furniture and repair of same, public buildings	87,000
					Fuel, light, and water for public buildings	27,000
					Light-house establishment	223,000
					Custom-house and other buildings	645,000
					Total	3,004,000
					Increase in—	
					Miscellaneous items	44,000
					Net decrease	2,960,000
Internal-revenue service	4,550,623 21	4,113,319 90		437,303 31	Decrease in—	
					Salaries and expenses, agents, collectors, &c	269,000
					Redemption of stamps	125,000
					Miscellaneous items	105,000
					Total	499,000
					Increase in—	
					Stamps and paper	62,000
					Net decrease	437,000
Diplomatic and consular service	5,439,609 11	1,332,320 88		4,107,288 23	Decrease in—	
					Payment judgments, Alabama claims	3,301,000
					Awards of French and American Claims Commission	594,000
					Miscellaneous items	212,000
					Total decrease	4,107,000
Quarterly salaries	598,986 61	616,379 42	$17,392 81			
Treasury Department	36,854,109 05	33,323,749 66		3,530,359 39	Decrease in—	
					Salaries	135,000
					Mints and assay offices	197,000
					Bureau of Engraving and Printing	257,000
					Sinking funds, Pacific railroads	4,397,000
					Mail transportation, Pacific railroads	947,000
					New Orleans, Cincinnati, and Louisville expositions	1,000,000
					Building for State, War, and Navy Departments	139,000
					Increasing water supply of Washington, D. C	485,000
					Payment of judgments, Court of Claims	468,000
					Miscellaneous items	615,000
					Total	8,640,000
					Increase in—	
					Court-houses, post-offices, and other buildings	1,058,000
					Louisville and Portland Canal	400,000
					Deficiencies in postal revenues	3,652,000
					Total	5,110,000
					Net decrease	3,530,000
Judiciary	3,945,691 37	3,309,689 19		636,002 18	Decrease in—	
					Fees of supervisors of elections	255,000
					Expenses of United States courts and miscellaneous	381,000
					Total decrease	636,000
Interior, civil	$8,979,266 36	$7,306,224 44		$1,673,041 92	Decrease in—	
					Salaries and miscellaneous expenses	$58,000
					Building and grounds under Interior Department	220,000
					Public-lands service	70,000
					Surveying public lands, &c	354,000
					Deposits by individuals for surveying public lands	681,000
					Miscellaneous items	290,000
					Total decrease	1,673,000

TABLE A.—*Comparison of expenditures of the Government, &c.*—Continued.

	1885.	1886.	Increase 1886.	Decrease 1886.	Items of increase and decrease.	
War	42,670,578 47	34,324,152 74		8,346,425 73	Decrease in—	
					Rivers and harbors	6,868,000
					National Home for Disabled Volunteer Soldiers	117,000
					Soldiers' Home	100,000
					Reimbursing certain States (Kansas) expenses suppressing Indian hostilities, &c	332,000
					Refunding to States expenses in raising volunteers	255,000
					Horses and other property lost in the military service	224,000
					Army transportation, Pacific railroads	300,000
					Miscellaneous items	150,000
					Total decrease	8,346,000
Navy	16,021,079 67	13,907,887 74		2,113,191 93	Decrease in—	
					Double-turreted monitors	290,000
					Steel cruisers, construction	441,000
					Steel cruisers, ordnance	217,000
					Pay, miscellaneous and contingent	100,000
					Mileage, Navy (Graham decision)	208,000
					Steam machinery	90,000
					Construction and repair	30,000
					Provisions	20,000
					Bounty for destruction of enemies' vessels	85,000
					Extra pay to officers and men in Mexican war	63,000
					Lady Franklin Bay expedition	65,000
					General account of advances	1,393,000
					Total decrease	3,002,000
					Increase in—	
					Pay of Navy and Marine Corps	630,000
					Miscellaneous	259,000
						889,000
					Net decrease	2,113,000
Indian service	6,552,494 63	6,099,158 17		453,336 46	Decrease in—	
					Fulfilling treaties and treaty supports	4,000
					Miscellaneous supports	230,000
					Trust funds	9,000
					Miscellaneous expenses of Indian service	210,000
					Total decrease	453,000
Pensions	56,102,267 49	63,404,864 03	$7,302,596 54			
Interest on public debt	51,386,256 47	50,580,145 97		806,110 50		
Totals	260,226,935 11	242,483,138 50	7,319,989 35	25,063,785 96		
Decrease in 1886 in ordinary expenditures		17,743,796 61		17,743,796 61		
Postal service, from the postal revenues	45,504,624 63	42,830,438 18		2,674,186 45		
Sinking fund	45,604,035 43	44,551,043 36		1,052,992 07		
	351,335,595 17	329,864,620 04	7,319,989 35	28,790,964 48		
Total decrease in 1886		21,470,975 13		21,470,975 13		

It will be noticed from the table that the total decrease of expenditures for 1886 over 1885 is, in round numbers, $21,000,000. Now, this decrease comes from a few items, some of which fluctuate from year to year and some of which were exceptional for 1885, and do not in the slightest degree show extravagance in 1885 or economy in 1886. I give a summary of them from Table A:

Repayment to importers (fixed by law), and varies from year to year	$1,412,000
Debentures and drawbacks fixed by law	486,000
Payments, judgments Alabama claims, the money for which was recovered from Great Britain, and has been in the Treasury for many years	3,301,000
Awards, French and American Claims Commission	594,000
Sinking fund Pacific railroads, required by law under Thurman act to be invested in Government bonds, not invested on account of high price of bonds	4,397,000
New Orleans and Louisville expositions	1,000,000
Increasing water supply of Washington, D. C.; loan by the Government	485,000
Judgments of the Court of Claims	468,000
Rivers and harbors, soldiers' homes, and other war expenditures	8,343,000
Decrease in expenditures for sinking fund, arises from different mode of computing same (see Secretary Treasury's letter)	1,052,000
Total	21,533,000

Thus it will be seen that when you analyze the zealous speech of my colleague from Illinois, Mr. SPRINGER, it is but as the "sounding brass and tinkling cymbal."

I was struck with wonder while he was talking, that with his fertile genius he did not address himself to the extraordinary increase in appropriations of $54,000,000 for 1887 over the expenditures for 1886, at which he points with so much pride. I beg the pardon of the House for detaining it with the details of a very dry subject, and yield the floor.

Payment of Treasury Surplus on the Public Debt.

SPEECH

OF

HON. WILLIAM D. BYNUM,

OF INDIANA.

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, August 4, 1886,

On the report of the conference committee on the disagreeing votes of the two Houses on the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Mr. BYNUM said:

Mr. SPEAKER: It is not my intention to enter into any lengthy discussion of the main question involved in the scope of the resolution as passed by the House, requiring the Secretary to pay out the surplus in the Treasury upon the interest-bearing debt, subject to call.

I heartily supported the resolution as it passed this House, and thought then and now think that its provisions were not only wise and just but, under the circumstances, eminently proper.

No issue was more distinctly made in the campaign of 1884, in the State which I have the honor, in part, to represent, than that the surplus in the Treasury should be applied, without delay, to the payment of so much of the national debt as might be due. That the Government should demand and collect from the people, by taxation, millions

of dollars annually and hoard the same up in the vaults of the Treasury instead of applying it to the payment of the interest-bearing debt, was considered not only bad financiering but a grievous offense against the general welfare. It was believed that such a policy resulted not only in an unwarranted increase of the burdens of the people, by the accumulation of interest upon the bonds which should be redeemed, but that the volume of money, already too small in the West, was contracted and debts already too large thereby increased.

When the present administration assumed control and management of our national finance the surplus in the Treasury, by the revised and corrected statement, amounted to less than $24,000,000. On the first day of the present month it had swollen to over $80,000,000. During the time this immense sum has been accumulating there has been outstanding, payable at the option of the Government, over $140,000,000 of bonds drawing interest at the rate of 3 per cent. Industries, already paralyzed, and labor, already oppressed, have been compelled to give up a share of their meager earnings, which instead of being applied to the extinguishment of their obligations and a reduction of their burdens, have been secreted in the dark vaults of the Treasury and there remained idle, while the debts which should have been promptly paid have been vigilant in their growth. This system of financiering was the result of an implied discretion claimed and exercised by the Secretary of the Treasury.

This House, for the purpose of taking away any discretionary power that the Secretary might have in the matter and compelling him to apply the surplus now on hand or which might hereafter accumulate to the payment of bonds now due, at the rate of not less than ten millions a month, so long as that amount should be in the Treasury, passed the resolution which was sent to the Senate.

When it was returned to this House I am confident a more complete transformation of a legislative provision was never beheld. Twenty millions of the surplus had been taken away and placed under the caption of a working reserve, and that discretion, heretofore claimed and exercised by the Secretary, and which the House had sought to extinguish, was not only rehabilitated, but absolutely clothed with Congressional sanction and legal existence.

What have the conferees of the House presented to us as a compromise? They have not only wholly surrendered the position taken by the House and retraced their steps to the point from whence we started, but have traveled in the opposite direction and met the Senate conferees more than half-way. They ask that we agree to the establishment of the twenty millions as a working reserve, which can only increase the volume already idle, and that the Secretary, by direction of the President, shall cease to pay out the surplus whenever in the opinion of the President there is a great emergency and the protection of the public credit requires it.

Mr. Speaker, for years I have tried to comprehend this mode of preserving and strengthening the public credit, and I confess I have not been able to do so. I have often thought that if individuals could preserve and strengthen their credit by hoarding up their money and suffering their interest-bearing obligations to remain outstanding what a revolution would take place in the commercial world; what immense, colossal financial standings many who are now at the bottom would soon be able to build up, and how low many who are now at the very top would soon sink. To my mind the Government, as individuals, can only strengthen her credit by paying off her interest-bearing obligations and reducing her debt.

The credit of this Government is not based wholly but only in a very slight degree upon the amount of money held in the Treasury. It has a foundation more substantial than if she possessed all the gold coin in the world. The great resources of our country are a continued pledge for the faithful performance of every contract and the payment of every obligation. To hinge the credit of this nation upon a few millions of money in the Treasury and the power of the President to issue a proclamation, is a confession which will and should be repudiated and scorned by the people we represent.

I am in favor of requiring the Secretary to pay out the surplus without qualification or limitation, and am willing to answer to my constituents for any and all the evil consequences that may follow such a policy.

I have the greatest confidence in our friends in the East to create an emergency—in fact, there is no emergency in the manipulation of finances for their benefit and our detriment so great but what they have always been equal to it. When there has been a stringency of money in New York they have been able to secure the payment of the surplus in the Treasury upon obligations held by them. When there has been a plethora of money in that great center they have been all-powerful in keeping the doors of the vaults closed and the money which was there secreted, and which was so much needed in other parts of the country, idle.

The attention of the country has been called to this question, and the people will no longer quietly submit to such a policy. Public sentiment will compel the present officials to pursue a policy different from that which has controlled them in the past.

My objection to the report of the conferees is that it confers greater power upon the Secretary of the Treasury than he now rightfully possesses, and will enable him to cease payment at the will and whim of the money-sharks, who will be the authors of an emergency whenever they desire to speculate upon the legitimate business of the country. The gentleman from Kentucky [Mr. BRECKINRIDGE] says that the resolution as amended is a step in the right direction. I can not agree with him; in my judgment it is a step in the wrong direction, and I am unwilling to take it.

Interstate Commerce.

SPEECH

OF

HON. JONATHAN H. ROWELL,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 21, 1886.

The House having under consideration the bill (S. 1532) to to regulate commerce—

Mr. ROWELL said:

Mr. SPEAKER: I regret exceedingly that the Senate and the Commerce Committee of the House are so wide apart in their views of what is necessary and proper legislation in regard to interstate commerce. I regret it the more, because in my judgment it is the handwriting on the wall which notifies us that the Forty-ninth Congress is to adjourn without a compliance with the reasonable demands of the people that some effective legislation upon this subject shall be placed upon our statute-books.

The power of Congress to regulate interstate commerce is conceded on all sides. That the carrying of freight and passengers by rail falls withing the meaning of the word "commerce" has been judicially determined beyond any possible question is also conceded. The need of regulative national legislation is now so universally admitted that there is left for Congress, so far as discussion goes, only the duty of finding out the best method of correcting the evils resulting from unregulated railway commerce.

Two propositions are before us—the Senate bill and the Reagan House bill. They are alike in the definition of interstate commerce, alike in declaring against extortion, unjust discrimination, rebates, and drawbacks, for in this respect they but reiterate the rules of the common law. In all other respects they are unlike. In proposed remedies—and this is what Congress ought to concern itself about—they are as wide apart as the poles. For eleven years, as often as Congress has assembled, this bill, known as the "Reagan bill," not in exact terms but in substance, has made its appearance in the House.

It had its inception in the very infancy of the experimental railroad legislation of this country. Fifteen years ago witnessed the beginning of the attempt to regulate railway traffic in the United States. In that period of fifteen years the majority of all the States and Territories in the Union have tried their hands through State and Territorial legislation at the business of regulating railway traffic within the States. Four-fifths of that majority have pronounced judgment against the theory upon which the Reagan bill is constructed, originated within four years of the commencement of the period of experiments, and at a time when theories were plenty while practical knowledge upon this subject was very meager. We were feeling our way then in the States, flagging a road through the wilderness of untried theories.

Mr. REAGAN. If my friend will allow me, I will say to him there never has been a State bill nor a Federal bill based upon the theories of the bill that the House is now considering.

Mr. ROWELL. I was just going to state, Mr. Speaker, that notwithstanding the fact that a majority of the States of the Union have attempted to regulate railway traffic within the States, notwithstanding the fact that within the borders of those States the attention of the people has been constantly directed to this question, and their legislators have been the exponents of the best and most enlightened thought upon this subject, we are, and have been for eleven years, treated here to a bill which ignores the wisdom and experience of the States, a bill without a precedent, not based upon knowledge, a "floater" in the great sea of legislation, and we are told by the gentleman from Virginia [Mr. O'FERRALL] that this bill is to be adhered to through thick and thin in order to accomplish three purposes.

The first is to add luster to the fame of the gentleman from Texas [Mr. REAGAN]. Now, I object to that purpose because the gentleman does not need anything of the kind to add luster to his fame. That is not our concern.

The second purpose, frankly announced, I must confess, is to give the Democratic party the credit of having initiated a measure of this character; and the third declared purpose is to throw the responsibility of failure to secure legislation upon the Republican Senate. We do not

often get such refreshing frankness connected with such poor reasons. It amounts to this: For Democratic campaign purposes we are to pass a House rather than a Senate bill; we are to pass a bill which the Senate has rejected in former Congresses and which we know can not become law, and the people are to be deceived with this pretense. Weeks ago the Senate passed an interstate-commerce bill and sent it to the House.

That bill is not speculative in its character. It was framed after a most elaborate, thorough, and exhaustive investigation of the whole subject—a bill arrived at by taking the testimony of the various railroad commissioners of the States, taking testimony from railway experts, from shippers, from farmers, from all classes of people who have studied this great question, and by combining the knowledge and experience gathered in Europe since 1832 and in this country since 1870 in railway regulation by law. The result of all that investigation, knowledge, and study is presented here in a bill which needs only the approval of this House and the President to become a law; and we are nevertheless told that for the purpose of shedding additional luster upon the gentleman from Texas and giving the credit to the Democratic House of passing a bill upon this subject, which the Senate will not accept, we are to throw away all of that knowledge and all of that experience so laboriously gathered during the last fifteen years.

It looks to me as though somebody had died a dozen years ago and left us a legacy of doubtful value, and we are to be required to ignore all our knowledge of the practical workings of regulative law upon the railway system of the country in order that the legacy may be preserved for us and some use be made of it.

Now, what we want here is practical legislation rather than eloquent declamation. We can not afford to play at law-making in the interest of personal fame and partisan advantage. I think I know something about this question.

It was my fortune, Mr. Speaker, to be connected as an attorney representing the State of Illinois with the first lawsuit, I believe, ever tried in the United States to test the question of State control over the railway companies. Our State was the pioneer in the attempt to enforce the doctrine that notwithstanding the charters granted by the State, there was a reserved right inherent in the Legislature to control these public corporations—to alter and amend their charters, and to compel obedience to such reasonable laws as should be enacted in the interest of the general public. All our railway companies had been chartered by special acts of the Legislature without any reservation of the right to amend or repeal, and it was strenuously insisted that these charters constituted a contract between the State and the company which could not be changed or impaired by subsequent legislation without the assent of both the parties to the contract. Under these supposed charter contracts the right to fix the amount of charges for carrying freight and passengers was claimed by the companies, subject only to the common-law rights and remedies as applied to common carriers.

The constitution of 1870 made it mandatory upon the Legislature to enact laws against extortion and unjust discrimination. In obedience to this mandate the first Legislature which assembled after the adoption of the constitution enacted such a law as our then experience suggested, providing for a railway and warehouse commission with extensive powers, among them the power and duty of seeing to the enforcement of the law. Out of that law and our experience under it has grown our present statute, and the Senate bill now before us is largely modeled upon it. Out of that law came the celebrated Granger cases in the United States Supreme Court, and the settlement forever of the right of the State to control the railway corporations, the settlement forever I hope of the doctrine that whoever invests his money in a railway enterprise does not invest it in the same way that a man does who invests in private business, but does put his money into a public business, subject to the interests of the public, dedicated to a public use, allowed to control his investment for personal profit, but subject at all times to such reasonable control as may be demanded for the public good.

It is because of the misunderstanding of that doctrine that investers in railway property have insisted that the operation and conduct of their business is their individual concern, good for the public when public and private interests require the same policy, but when they clash private interest being paramount.

If owners of railway property would only realize the true nature of the business under their control, we should hear less of robber legislation, of claims that freight charges should be as large as the nature of the freight will bear. Indeed we should have less need of any legislation upon the subject.

Now, I am earnestly in favor of such general legislation as will bring the railway system of the United States under the control of law. I want to reach such legislation, but so far as I am individually concerned I would about as soon have no law as the proposed measure of the House. It is a question of remedies, rather than a question of definitions.

In the Reagan bill we have a definition. It is a common-law definition, and does not differ materially from the Senate bill. We have also a definition of unjust discrimination which goes further than the common law, and which I shall have occasion to speak about further on. We also have a remedy. It is the same remedy we have had since courts were established and the common law was recognized as the right of Englishmen. It pertains only to the individual and to individual cases. A lawsuit under it settles nothing but the single case, nothing for the community. All the difficulties about evidence remain as now, and every lawyer knows that these are so great that it is next to useless to attempt to enforce a claim for unjust charges.

The Senate bill provides for a commission to see to the execution of the law.

The objection to the commission, as stated by the gentleman from Virginia—and it is the one urged by all supporters of the Reagan bill—is that you can not find five honest men for commissioners, that whoever compose the commission will be owned by the railroad companies, and that on that account the law will be executed or non-executed in the interests of the roads and against the people.

Does the gentleman forget that in every judicial district in every State of the Union there sits a man with power of life and death, who holds the property, the liberty, the all of the citizen in his hands? And has it ever been difficult to find a pure judiciary, either in England or America, whether appointed or elected? And shall it be said that we, the American Congress, may not create another judicial body which shall be as pure and above reproach in the administration of the powers granted to it as the courts which from time immemorial have presided over the destinies of English-speaking people? Such an objection, in the light of experience, hardly reaches the dignity of argument.

The absence of a provision for a commission with defined powers and duties is the marked feature of the Reagan bill, which may be characterized as the absence of all effective remedies.

There is a provision in the Reagan bill to which I desire attention for a few minutes, the provision which declares that in no instance shall there be a greater charge for a short haul than for a longer haul over the same road. It makes no difference whether the freight is going one way or another, whether it is eastbound or westbound, whether across the prairie or over the mountains. It takes no account of the different cost on different parts of the road. It ignores the question of return freight. It is oblivious of the fact that a large part of the cost of moving freight is made up of hauling dead freight in the weight of the cars.

Now, I call the attention of the gentleman from Texas to the fact that it has been judicially determined both in England and America that all discrimination is not necessarily unjust discrimination, and when he proposes as an unbending rule that there shall be no discrimination, he proposes to put upon the statute-books a requirement in some instances for an unjust discrimination.

Mr. REAGAN. My friend is mistaken.

Mr. ROWELL. I am not mistaken.

Mr. REAGAN. The declaration of the House bill is that there shall be no unjust discrimination. That is the language of the bill.

Mr. ROWELL. But the House bill says there shall be no greater charge in any event for a shorter than for a longer haul. That is your definition of unjust discrimination as applied to distance. In practical application it amounts to pro rata mileage rates.

At the January term 1873, the supreme court of Illinois had this exact question up for consideration in the case of The People *ex rel* Railroad and Warehouse Commissioners *vs.* The Chicago and Alton Railroad Company, the case which marked the beginning of litigation upon the question of State control of these corporations.

The Chicago and Alton Railroad Company charged more for hauling a car-load of lumber from Chicago to Lexington than from Chicago to Bloomington, the transportation being in the same direction over the same line, Bloomington being 20 miles farther than Lexington.

The constitution of Illinois directing the Legislature to enact laws against unjust discrimination, the Legislature enacted a statute like the Reagan bill forbidding a greater charge for a shorter than for a longer haul—with this difference, that it should be in the same direction and to or from the same terminal point.

The court decided that it was not necessarily unjust discrimination to charge more for the shorter than for the longer haul, in consequence of which our Legislature changed the statute to meet the requirements of the decision. This was based upon English decisions, and it was held that while ordinarily it would be unjust to charge more for a shorter than for a longer haul, yet in very many cases not to make such a charge would be unjust.

Mr. REAGAN. I will inquire of the gentleman whether the constitution of Illinois does not prohibit charging more for a shorter than for a longer distance?

Mr. ROWELL. The constitution of Illinois makes no such prohibition.

Mr. REAGAN. I was not certain on that point.

My. ROWELL. The constitution of Illinois makes it mandatory upon the Legislature to pass laws prohibiting unjust discrimination. The law I speak of prohibiting the charging of more for a shorter than for a longer haul was made, as was supposed, in obedience to that mandate in the constitution and in accord with it. But the Supreme Court

held that when the Legislature declared against all discrimination it enacted what the constitution did not require or permit.

It was a requirement to do what might be unjust, because discrimination may sometimes be just and a refusal to discriminate may be unjust.

All Legislatures that have enacted laws of longer and shorter hauls have confined their prohibition to hauls in the same direction to or from the same terminal point and not to hauls between intermediate points. This distinction is left out of your bill, but is in the Senate bill. Your bill, if enacted into law, destroys competition—that vital element which controls prices in almost all kinds of business. My idea is that the objective point of all legislation, so far as may be, ought to be toward competition. The objective point of your legislation is opposition to competition.

Your legislation is for narrow bounds permissible, possibly, on the short hauls within the boundaries of a single State. We all understand that in every section of the country are great receiving and distributing depots, cities into which the crops of the country and the manufactured goods of the country flow to be distributed outward, and that within the power of State legislation largely is the traffic entering into these depots of distribution. Take away the right to reduce freights to compete with other railroad and with water routes, and you destroy the power of all these great distributing agencies in collecting and sending to market the produce of the country. You bring a blight upon all that great western world at the other end of the long hauls; you benefit nobody; you do not cheapen rates; you bring upon yourselves the very difficulty you are trying to avoid.

In doing this thing you must necessarily destroy the advantage which comes from favorable location for the purpose of transferring it to less favored places, which amounts to nothing less than transferring one man's property to another without compensation. You take away the advantage of competing lines, which many communities have secured for themselves at great expense. You make it impossible for the longer line between two points to compete with the shorter line without sacrificing its local traffic.

Should the Reagan bill ever become law, and obedience be compelled, in my opinion it will result in freight charges regulated largely by non-competing points, and will bring misfortune upon the great West to such an extent that the demand for its repeal will be much greater than is the demand now for legislation.

But, Mr. Speaker, the Senate bill gives us a practical remedy. It proposes a commission's court without expense to the individual, with ample power to enforce its decisions, not in a single case but in all cases within the law.

To it is given the right in a summary way to have the remedy of mandamus and injunction, to compel obedience to the law in all cases. It has ample power to investigate and declare the truth and to charge the burden of proof to the other side. The main trouble with the common law rests in the evidence not in the right. The Cullom bill, unlike the Reagan bill, takes away that difficulty and provides efficient remedies.

Under the Reagan bill you may take your case into court with the burden upon you of producing the evidence to maintain your rights, and at the end of the case you have settled nothing but the right in one case. You must have a new case for every unjust charge, involving, it may be, but a few dollars. How many shippers do you think will be willing to take the risks of such expensive litigation, so uncertain in results and so sure to provoke hostility on the part of the railroads. Pigmies do not invite giants to combat.

Why then shall we not turn to the Cullom bill and use the strong arm of the Government in this contest, which must sooner or later be fought out with the great railroad power of the country?

It is no uncertain experiment. I undertake to say that in Illinois, after fifteen years of experience, the commission we have always had has proved to be as honest as our judiciary. I undertake to say there is no State in the Union which has come so near solving this question so far as State traffic is involved, and where from a condition of hostility in 1872 such real harmony has been secured between the roads and the people.

This has not been accomplished without trouble and litigation, for the railroad companies did not easily or willingly yield obedience to the law.

Every question involved has been litigated and settled through our commission. The law has triumphed and the roads have yielded obedience. What is wanted now is a law which shall regulate interstate commerce as we in Illinois now regulate it within the State; a law which, through a commission, shall have elasticity enough to meet the varying exigencies which constantly arise in this kind of traffic, which shall be strong enough to protect individuals and communities from the unjust exactions and discriminations now practiced by the roads, and which will at the same time secure the same reduction of freight charges through healthy competition; a law which will emancipate the people from the undue power of the great railroad corporations and secure for them the full measure of good which is our right. Here is a universal demand; we all want an interstate-commerce law.

But we are told we shall not have it unless we launch out upon the sea of experimental legislation; that we shall not have a tested law; that we shall not have that which has been proved to be successful and proper and legitimate; that we must go where no State has ventured, must take what no one outside of this House has approved; and all this that the Democratic party may be credited with something which it can call its own, while the people are left with the common-law remedies which they have had all along. Why not take the result of recent investigations as formulated in the Senate bill, and before this Congress adjourns let the people rejoice that we have given them a law upon this question, that we have not locked horns between a successful and practical proposition and a theory.

The Senate bill is not all that will be required, in my judgment, but it is a beginning. Eventually we shall go further. We shall break up pooling in all forms and shall get the full benefit of competition, not alone at competing points but at intermediate stations; and we shall do this in no spirit of hostility to railroads, and without taking from them any legitimate protection. We can not afford to destroy railroad prosperity if we could, because with all the attending evils which have come with this vast aggregation of wealth, this railway system has brought unnumbered blessings to our people, is capable of bringing more, is destined to be a bond of union between all our people, a promoter of good-will, a destroyer of sectionalism.

If we are but wise it will cease to be master and become our most valued servant.

Treasury Surplus.

SPEECH

OF

HON. JOHN LITTLE,

OF OHIO.

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, August 3, 1886,

On the conference report on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Mr. LITTLE said:

Mr. SPEAKER: I voted against the original resolution, but shall favor it with the Senate amendments recommended by the conference committee. I desire briefly to submit some considerations influencing my action. There are three hundred and forty-six million legal-tender notes—greenbacks. The holders are entitled to receive coin therefor from the Government on due presentation.

At the date of resumption, January 1, 1879, the Secretary of the Treasury had accumulated for their redemption or exchange over a hundred million dollars in coin. And that sum was set apart and has since been maintained with but few slight and temporary encroachments as a redemption fund. No law in terms requires this, though it has legislative recognition in the act of 1882 for the reorganization of national banks. It owes its existence rather to a principle or rule evolved from common experience and supported by the general judgment of financiers and financial concerns the world over and time out of mind.

Banks of issue—and as respects these notes the Government is little else—however powerful or well sustained by pledges of public support, experience teaches, should have at least 33 per cent. of their issues in coin for redemption purposes. So, while from that time (1879) till this administration came in, six years—and golden years they were in the growth of the country's credit and prosperity—that sum, one hundred millions, was set apart and kept as a redemption fund, a minimum redemption fund. The monthly average amount of coin in the Treasury available for this purpose was upward of one hundred and eighteen millions, or over 33 per cent. of the greenback issue.

The "surplus" during this period, that is, the accumulations of coin above the hundred millions, was regarded as applicable and was applied as it accrued, save as to a "working balance" of, say, eighteen millions, to the reduction of the bond indebtedness. This was not done rigidly and with periodical regularity, but substantially. A wise discretion was exercised in calling bonds. The financial condition of the country and the prospective necessities of the Government had their proper bearing. It sometimes happened the surplus was allowed to accumulate and lie "idle," as one might unguardedly say, in the Treasury. But it was never idle for a great while. The reduction of the debt went on rapidly and with reasonable regularity, as pointed out the other day by my colleague, Mr. MCKINLEY. The present administration has continued this policy of its predecessors, with the exception that it has not used the surplus to the same extent in the reduction of the debt. They reduced the debt over a hundred millions yearly; it, with the same authority and no less means, only about forty millions. It has allowed the accumulations to go up to an average monthly surplus over the

hundred millions of near sixty millions as against eighteen millions under them.

The purpose of the resolution would seem to be to compel the administration to walk more closely in their footsteps. This, as a general policy, is unquestionably to be commended.

But possibly there may be some reason for the variance from Republican ways not apparent to us, having relation to the upholding of the parity between gold and silver coin, and consequently to the maintenance of specie payments and the public credit. It is due to remember that the commercial disparity between gold and silver is still widening, and that the point may presently be reached, under present laws, where the parity of the coins can not be maintained. Gold and silver coin being the money of the Constitution, and their joint use as money being impossible, with one at a premium over the other, it is plainly the duty of the President so to administer the laws, if possible, as to keep both in circulation side by side. And it is as plainly the duty of Congress so to legislate—or refrain from legislation perhaps I should rather say—as that this may be done. To drive gold to a premium would be to take it from the circulation as money, and thus greatly reduce the volume of the currency.

I think we may rest assured that any administration, both from patriotic and party considerations, will always be ready and desirous to use the surplus revenues to the utmost safe limit for reducing the public debt as long as we have a debt. It may be assumed, therefore, that in the judgment of the President and the Secretary of the Treasury there is urgent reason for the course pursued. If that reason relates to the matters suggested and is well founded it would be a public misfortune to compel a departure so radical as the resolution in the shape it left the House contemplated. That proposed the use of all the "surplus" in reducing the debt, by ten-million installments. It contemplated a reversal of the past order of things. For a wise, and it seems to me necessary, discretion it substituted an inflexible rule. No option was to be left to the Government in any emergency.

Commercial disturbances were to be ignored and financial crises disregarded. Come what might, calls must go on with iron rigidity as often as the surplus reached ten millions. Instead of the sum of a hundred millions being the minimum it was to become the maximum redemption fund. True the measure applied only to the callable bonds; but if wise legislation as to them, why not extend it to the '91's and all others as they mature? We are dealing with a principle as well as with existing conditions.

I have said the original resolution would fix the redemption fund at one hundred millions as a maximum. That sum would probably be regarded as the fixed and only proper one for the fund. It being named by law, the Secretary would scarcely take the responsibility, even if he had the power, of suffering a reduction. Prudence, if not the law's command, would forbid. To avoid reduction the sale of bonds would be the resort. Three classes of bonds, under the resumption act, may be sold for redemption purposes, falling due in ten, fifteen, and thirty years, and bearing interest at 5, 4½, and 4 per cent. respectively.

It has seemed to me that the resolution in its original form might be made to operate practically to substitute these long bonds for those called. Suppose when the surplus should be used under a ten-million call—when, in other words, the redemption fund is down to the quick, ten millions in greenbacks should be presented for redemption, thus reducing the fund to ninety millions, what would happen? To repair it—supposing the Secretary to regard his obligation as suggested and that the revenues were only enough at the time to meet current demands—would not ten million of bonds have to be sold? Can it be doubted that such a result might be compelled if the bankers and brokers of the country, or even of New York, found it to their interest to do so? If ten millions would not accomplish the end another ten could be added. Bankers would or might be put to extremities under this legislation, impelling to such action as would promise readiest relief.

It is said national banks hold on account of their circulation over a hundred millions of the callable bonds. They would be compelled in short order to substitute or liquidate, and liquidation of course means contraction of the currency. Regular ten-million calls would probably enhance premiums on other Government bonds. If the banks could compel sales by the Government to relieve them in the dilemma it would not be strange if they should do so. The very circumstance of such sales to meet ordinary obligations would tend to weaken confidence and keep down premiums. Doubtless banks are preparing now for substitution. But the process is not a forced one, such as the House measure would precipitate.

I would not thus tie the hands of the Government in an invited contest with them.

Again, the House measure would bring about, as it seems to me, a hand-to-mouth condition of the Treasury necessarily embarrassing and harmful. Every available dollar in it when the surplus reached ten millions would be appropriated. Suppose the measure in force, that amount of surplus on hand, and a call made and pending, when Congress should make an appropriation for immediate use of five or ten millions, such as it is liable to do any day, where is the money to come from? Would we be required to wait till it accumulates?

It is common to hear the redemption fund and surplus spoken of as "idle money," locked out of circulation. There could be no greater error in my opinion. It is no more idle than the specie reserve in the old banks of issue was idle. Every dollar represents and has $3 in active use.

But it is said few greenbacks have been presented for payment, and therefore the coin is not needed. This shows only how effective the reserve is doing its work. The knowledge that the coin is ever ready to take it up keeps the greenback out. Destroy that confidence by making it impossible to redeem and you will see the Treasury flooded with greenbacks. If every greenback dollar had a representative coin dollar in the Treasury the latter would not be idle any more than gold and silver dollars there are unemployed which represent, dollar for dollar, the gold and silver certificates circulating as money. Such security would be useful in times of financial stress and storm. Then a panic or breath of war would not start greenbacks to the Treasury for coin, as I fear would be the case with existing means of redemption. This is a consideration that reconciles one to the idea of buying silver and piling it up in the Treasury, cut into dollars, as a temporary policy. It broadens and strengthens the material and effective greenback foundation.

Mr. Speaker, the Senate amendments recommended in the conference report propose a working balance of twenty millions in addition to the hundred-million redemption fund, and give the Secretary of the Treasury power in emergency to suspend the execution of the law. I am willing for that. But I am not willing to indorse a measure in my apprehension founded in fallacy and involving, potentially, a contraction of the currency by the retirement of gold, an injury to the public credit, the subjection of Treasury operations to the will of syndicates, and the embarrassment generally of financial administration.

The Senate amendments are substantially retained by the conferees, except that relating to the trade-dollar. It is to be regretted that some measure could not have been agreed upon respecting it. But I shall vote to sustain the report. It gives us a law forcibly indorsing the methods on this subject of former administrations—and doing little else—without tying the hands of this one. That is well and timely.

Coast and Geodetic Survey.

SPEECH

OF

HON. HILARY A. HERBERT,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, June 24, 1886.

The House being in Committee of the Whole on the state of the Union on the bill (H. R. 9474) making appropriations for the sundry civil expenses of the Government, the pending paragraph being in reference to the Coast and Geodetic Survey, &c.—

Mr. HERBERT said:

Mr. CHAIRMAN: The Coast Survey of the United States was inaugurated seventy-nine years ago. During that time this bureau has acquired considerable reputation among the scientific bodies of the United States and perhaps throughout the world; but it has so far failed to complete for the first time the survey of our coasts.

This has not resulted from any want of liberal appropriations, but, as I shall endeavor to show, from a spirit which has animated that bureau from the beginning—a purpose to continue its existence as a bureau indefinitely.

Congress has been exceedingly patient about it; but occasionally it has made inquiry as to when this work would be completed. In 1857 Professor Bache, then the Superintendent of the Coast Survey, said in a letter to the Secretary of the Treasury:

> In determining the scale and mode of executing the Coast Survey it should be considered that the work is a temporary one, having a limited object, the surveying of a definite extent of coast; taking all the operations into consideration, the Atlantic sections are more than half done, the Gulf (of Mexico) sections are nearly one-third done, and both can, at the present rate of appropriation, be completed in from ten to twelve years by close economy and thorough efficiency of arrangement.

Now, a special commission, of which I was a member, was organized two years ago to inquire into the work of this bureau.

We examined Professor Hilgard, and he stated that within five years from the time in which he then spoke the survey of the Atlantic coast would be completed, and that within nine years from that time the survey of the Pacific coast would be completed. In other words, what Professor Bache said twenty-nine years ago would be completed in ten to twelve years, the Atlantic coast, Professor Hilgard now says will be completed in five years. We have, therefore, in twenty-nine years gained at most only seven years. Now, if we count out the four years of the war, and I contend that that is certainly more than fair, because the work went on, appropriations were made, and the work progressed during that

period, we have twenty-five years in which we have done, upon Professor Bache's original calculations, simply seven years' work. In other words, if we were then twelve years off from the completion of the Atlantic coast, and we have since done twenty-five years' work and are still five years from the goal, it is a simple question of arithmetic as to when we will get there. We have only to divide the twenty-five years' work we have actually done by the seven years of progress we have made, and we find that we must multiply the future calculations of Coast Survey Superintendents by three and one-half in order to approximate actual progress. Multiplying Professor Hilgard's five years for the completion of the Atlantic coast by three and one-half, and we find that seventeen years will take us into the beginning of the next century. Multiplying his nine years by three and one-half, and we find this thirty years will bring us at least to the year 1915 before we can expect the first survey of the Pacific coast to be completed.

The Coast Survey was organized in 1807; therefore this survey will have gone on for one hundred and eight years before it completes its first round of our coast. This survey was begun under Thomas Jefferson. It was his opinion that such a survey was needed then. When we consider the energy of our people and what private enterprise has accomplished, I venture to say that they should have consented to this extraordinary delay in the progress of an important public work is one of the most marvelous facts in the history of human affairs. The calculation I have made is more than fair to the Coast Survey because Professor Bache made his estimate expressly upon the hypothesis that the appropriation should continue at the rate of $463,000 per annum—what was then allowed. The actual average since that time has been $549,000. If we multiply the thirty years between us and the completion of this work (as we get it by testing Hilgard's prophecy by Professor Bache's) by the annual sum of $549,000 we have $17,470,000 necessary yet to complete this work.

Calculations like these I know, Mr. Chairman, are of little value for the purpose of ascertaining when this work will be completed, but they do serve to show how little can be placed on estimates of this character that may come from the Coast Survey. Professor Bache was one of its most illustrious men. No man in that bureau ever had a higher character. He estimated that in twelve years at $463,000 per annum the work on the Atlantic and Gulf coasts would be completed; in other words, that it would take $5,556,000 to do this work. Since he spoke over $16,000,000 have been expended, probably not one-fifth on the Pacific, and still Professor Hilgard estimates that it will take five years to finish the Atlantic coast. There is only one mode in which we can relieve Professor Bache's estimate from being absolutely discreditable to him, and that is by supposing that he calculated upon the hypothesis that the bureau would confine itself to the work in hand and that instead of doing this it has expended millions of money in departures from and additions to the purposes the Coast Survey had in view in 1857 when he spoke. That this is true, at least in part, and that this excuse for Professor Bache does exist to some extent, will appear, I think, as I proceed. Now, let us be a little more particular, a little more specific, and go back and see what was the purpose of this survey. I send to the Clerk's desk the act of 1807 and ask that it be read.

Mr. WARNER, of Ohio. Will you tell us where the money has gone to?

Mr. HERBERT. I will tell all about that.

The Clerk read as follows:

An act to provide for surveying the coast of the United States.

Be it enacted, &c., That the President of the United States shall be, and he is hereby, authorized and requested to cause a survey to be taken of the coast of the United States, in which shall be designated the islands and shoals, with the roads or places of anchorage within 20 leagues of any part of the shores of the United States, and also the respective courses and distances between the principal capes and headlands, together with other such matters as he may deem proper for completing an accurate chart of the coast within the extent aforesaid.

Mr. HERBERT. Now, you see, according to the purport of the original act, the sole purpose of this survey was to make an accurate chart of every portion of the coast of the United States; in other words, a nautical map to warn sailors against the perils of the sea. Nothing else at all. No other purpose appeared in any act or law relating to the survey of the coast until the year 1843. This bureau originally was under the Treasury Department. Its progress seemed to be very slow, and after remaining there for ten years the work was transferred to the Navy, where I think it ought to be now, because I believe that other countries are right when they put nautical map-making under the charge of their navy. I believe that the sailor, the man who looks upon the land from the sea, ought to make maps to be used on the sea, and not the landsman who looks upon the sea from the land. As I have said, Congress, because I suppose the progress was slow, transferred the survey of the coast in 1817 to the Navy. In 1832, the progress not being satisfactory, it was retransferred to the Treasury; then in 1834 again to the Navy; in 1836 again to the Treasury, and there it has remained ever since—for a period of fifty years this has been a civilian bureau.

Now, in order to make nautical charts some survey of the land along the coast is necessary, as a matter of course. But the purpose being to warn sailors against the perils of the sea, we would naturally suppose that the principal portion of the work was to be done on the water—soundings in the channels for the rocks and shoals. These are to be delineated on the map; and you need on the map just enough of topography to enable the sailor to know where he is.

You want for nautical purposes only those objects which can be seen by the sailor from on shipboard.

In 1843 the whole bureau was reorganized, and from that time on till now naval officers, detailed to work under the civilian head of the Coast Survey, did the work on the water. They made the soundings and reported to the chief of the bureau, who had the maps made and the shore topography done.

That civilian bureau, as I have said, has been in possession of the Coast Survey from that time up to this. Up to 1843 the expenditures were not large; but all together they have been, according to the report of a majority of the present commission, $20,000,000. In this estimate the majority include the four millions paid for the expenses of the work done by the Navy.

Now, $4,000,000 from the pay of the Navy have gone to this work and $20,000,000 have been appropriated directly to the Coast Survey since its organization. The work on shore consists of trigonometrical work, astronomical work, and such other work as is necessary accurately to ascertain points and to determine the latitude and longitude. It is just by reason of its accuracy in these things and its great care that the bureau has gained reputation among the scientific people of the world. There is no doubt about the fact that its points have been determined and fixed with great accuracy. But the question is, have we not paid too dear for the whistle? Has not this cost more than it is worth?

While objecting to the plan which has been pursued, I find no fault with the survey, because it takes pains to be accurate in its work. Its surveyors ought to be very careful, and they are. Sometimes they stay six months at one point to determine accurately the latitude and longitude. I do not object to this if it is necessary. But I call attention to it for the purpose of saying that work as expensive as this may easily be carried too much into detail. And the question arises, has not too much of this expensive work been done, and has not the Survey spent too much money—first on topography?

Professor Hilgard gave us an estimate as to the relative cost of the topography, the trigonometrical work, and the hydrography. It will be borne in mind that the hydrography is that portion of the work which is done upon the water, done by the sailors, under the control of this civilian department. Here are his figures: He estimates that the cost of the trigonometrical work is two-tenths of the whole, and the cost of the topographic work four-tenths of the whole. So that, taking $20,000,000 as the aggregate, you have two-tenths of it, $4,000,000, as the cost of the trigonometric work, and four-tenths, $8,000,000, as the cost of the topographic work, the two items together making $12,000,000. He then says that the hydrography, the work on the water, costs three-tenths of the whole; that would be $6,000,000. So that the cost of the topography, the work done on the land, is twice as much as the cost of the hydrography, the work done on the water.

Mr. WARNER, of Ohio. Can the gentleman inform us how far back from the seashore this topographic work extends?

Mr. HERBERT. Professor Hilgard answered that question. He said that as a rule it extended back from 1 to 3 miles; sometimes very much more and sometimes very much less, but that he stated as the general rule.

Now, let us stop right here and ask ourselves the question, are these the just and proper proportions in which to expend this money? I contend not.

Mr. WARNER, of Ohio. They could employ more men that way.

Mr. HERBERT. Of course they could employ more men that way and spend more money and take more time, and before I get through with this bureau I propose to show that they have determined never to finish this work until they get themselves established as a bureau doing other work, geodetic work for example, throughout the whole country, which will last an indefinite length of time, and at which they can continue just as long as the money of the people of the United States will sustain it.

Mr. LORE. How does this method of coast survey correspond with that adopted by other nations?

Mr. HERBERT. I will answer that question presently. I wish to say now, as I was about to say when interrupted by a question, that the majority of the commission, my friend from Indiana, Mr. LOWRY, and my friend from Connecticut, Mr. WAIT, when they came to this point, in answer to these criticisms which were made in the commission and which I press here, said that they could not undertake to judge of this matter; that it was not for them to decide whether there was more topography than there ought to be, because the maps of this bureau had met the approval of scientific men in this and other countries. They were unwilling to criticise what the scientific men of the world said was properly done.

Who are these scientific men? Members of the Academy of Sciences, professors in colleges, gentlemen who sit in their studies and pore over mathematical and astronomical problems, and who may never have been to sea. Are they the men to judge of nautical maps? It seems to me that the educated sailor is the expert who should decide this question.

Mr. WARNER, of Ohio. Yes. What does the sailor say about them?

Mr. HERBERT. They condemn this elaborate, extended, and expensive topography. Their judgment is, as I will show, that after it is all completed at this great expense, it really is not worth the cost of engraving and printing.

But to go back to the question I was discussing—the cost of this topography. This is not the first time that this question has been raised. Away back in 1878, when Congress had before it the question of the consolidation of the scientific bureaus, at the time when the present Geological Survey was formed out of the four surveys then running west of the Rocky Mountains, this question was considered. The Academy of Sciences reported upon it; it was examined and commented upon by Army officers and by naval officers, and these officers at that time contended that this topographic work was needlessly expensive. General Comstock undertook to say that it cost nearly $500 a square mile, and the reply was made by the then superintendent of the bureau that the most expensive of it cost only some $98 a square mile. I call attention now to this contention eight years ago for the purpose of showing that when the present commission asked Professor Hilgard for a statement of the relative cost of the topographic, the trigonometric, and hydrographic work he knew very well its importance and its bearing; he knew well that calculation was to be made which has been made, and of course when he gave his statement he made it as favorable to the bureau as he possibly could.

Mr. GLOVER. May I ask the gentleman a question?

Mr. HERBERT. Yes.

Mr. GLOVER. I want to ask the gentleman whether the law does not require that these surveys shall be made for purposes of defense as well as for purposes of commerce, and whether that requirement does not account for the details which he criticises?

Mr. HERBERT. My friend asks me whether there is not a provision that this work should be made for purposes of defense also. I will read the language which was used for the first time in the plan proposed by the board according to the act of Congress in 1843. As a part of that plan I read the following:

From the points thus furnished—

After speaking of the triangulation—

by the several triangulations, the topography shall be executed, using always the most approved instruments and principles, the topography to be carried inland as far as may be necessary for a proper delineation of the shore, and for purposes either of commerce or of defense.

Now, how much is necessary for purposes of defense? I will answer that question briefly here and more at length when I come to comment on those maps which illustrate my argument. For purposes of defense we want to know any commanding position and the roads. That is all. We do not wish to know the "cultural features," as they are called in the technical language used in this survey; that is to say, the houses and fences and things of this character; for as they change and shift, the delineation of such things, unless wanted for immediate military purposes, only tends to confusion. In this respect the delineation of them is worse than worthless. We have the testimony of Professor Hilgard himself on this very point. He states, on page 155, that the country has been built up so much on the coast of Long Island that the shores could not be recognized from the old maps. Why? Because of any changes in the shore itself? No; the changes have been in the "cultural features;" that is the reason the old maps are now confusing. If we had done as other governments have done, if we had exhibited on our maps only the roads and the prominent natural features, this confusion would not have arisen. If there is a stream or a hill or a mountain it ought, of course, to be put down.

Mr. GLOVER. I would like to ask the gentleman whether the maps prepared under the direction of the Navy Department—the hydrographic maps——

Mr. HERBERT. I will answer that question when we get to these maps. If the gentleman will allow me to progress regularly, I shall get through sooner and much more satisfactorily to myself. When the gentleman's question properly comes in I will answer it with pleasure, in fact I intend to answer it whether he asks it or not, but I shall be very glad to have him call my attention to it.

I was discussing the cost of this topography. Professor Hilgard, when he was asked this question about the different proportions, knew that this very criticism would be made; it was with this understanding that he gave these proportions. The ascertainment, therefore, of the cost per square mile of the topography executed by the Coast Survey is simply a question of mathematics. We have merely to take the number of square miles of topography as reported by the Coast Survey and divide by that the amount of the money expended—$20,000,000.

In document 270, an official publication of this Government, compiled by Captain Wheeler, we have exact data. In January of the present year he asked the Coast Survey (in order that he might put the answer in his book) how many miles of topography it had executed. The answer was given, and upon that answer the calculation was made by Captain Wheeler. Taking altogether the $4,000,000 expended by the Navy Department in executing the hydrography under this bureau and these $20,000,000 appropriated directly to the Coast Survey, the cost per square mile has been $333. But if you deduct the $4,000,000, giving Professor Hilgard the benefit of the supposition that he meant his remark to apply only to the Coast Survey, and there is no evidence that he did, we have as the result $275 for every square mile of topography executed.

This is the very lowest figure that can for a moment be contended for. But the fact seems to be that Captain Wheeler is right, and that the cost is really $333 per mile.

And now, sir, expensive as it is, do the real experts, the sailormen of this and other countries, do they approve of this topography? The evidence is that they do not.

Let us look at one of these maps. Here is a Coast Survey map—a chart of New York Harbor. Here [illustrating] is the city of New York; this is the East River; this the Hudson River. Here is the topography, extending all over Long Island and away down to Coney Island. Upon that map we find delineated not only every road but all the fences, every watermelon patch, &c. Then coming down here to Staten Island we find portrayed, first, these heights. The topography is executed with great care.

Mr. BOUTELLE. Is it not to be presumed that these minute topographic details have been given by the officers of the Government in pursuance of law? And has it not been the object to make these topographic surveys as accurate and minute as possible for military purposes? That, it seems to me, would be a sensible assumption.

Mr. HERBERT. The law no doubt provided that so much of the topography should be portrayed as was necessary for purposes of commerce and defense.

But let me ask you whether there is any necessity, for purposes of defense, that these cultural features should be portrayed all over Long Island?

Mr. LONG (pointing to the map). Was not Washington's battle of Long Island fought right in here?

Mr. HERBERT. Yes; but these fences portrayed on this map were not there then and they are not there to-day, and if the fences now there should be put on a new map they would not be there five years hence.

Now, let me tell you how much the topography on that map has cost the Government. An estimate has been made by a naval officer, and I suppose he is correct, that that topography cost something like $90,000.

Mr. LONG. On this one chart?

Mr. HERBERT. Yes, sir; the topography there on that one chart, not including engraving, cost the Government of the United States $90,000.

Now, let us turn this chart over and look at the one beneath it. [Turning to another map.] Gentlemen will bear in mind that the map which we have turned over was the chart made by the Coast Survey for the United States Government, costing $90,000 for topographical work alone, and this chart which you now see is a reproduction, a reproduction from the other by the British admiralty.

Now, the British want on a map of New York Harbor precisely the same features we want. Whatever is necessary for our sailors on approaching the port of New York is necessary for theirs, and whatever features upon the map would be useful to us in defending would be useful to them in attacking our coast. We all know that the accurate maps made by France were invaluable to the Germans in their successful campaign in the Franco-German war.

Here you see by this reproduction that the British admiralty in reprinting this map, putting on it all their sailors will need and all the topography they will ever want for the purpose of attacking us, have left off all the elaborate cultural features. The work that cost this Government tens of thousands of dollars they do not consider worth printing. Of course they put on the roads; they print all the soundings because they are needed.

Mr. DAVIS. Do they not get the elevations?

Mr. HERBERT. Oh, yes; they get all the elevations on Staten Island. And everything else needed for attack. These are called natural features. There are the heights; they put them all down. They need them. They are not only useful but permanent cultural features; houses, fences, and lots are evanescent. In a few years they change and then the map is misleading.

Mr. BOUTELLE. Is not that a Coast Survey map?

Mr. HERBERT. Oh, no; this is a British admiralty reproduction of the Coast Survey map.

Mr. VIELE. Is it not a reproduction for the use of their sailors?

Mr. HERBERT. The point I make is that elaborate topography is not necessary for their sailors or they would have it.

Mr. GLOVER. Was the original chart made by the Coast Survey or the Geological Survey?

Mr. HERBERT. It was made by the Coast Survey. I will turn this chart over now so we can see the one that is under it. I have not stated heretofore what it costs to engrave these maps. Now, the engraving of that map of New York Harbor, the topography of which cost $90,000, probably amounted to $10,000 or $20,000. But the engraving of this map which you now see is much less.

Mr. FARQUHAR. Is the gentleman certain the British Government

have not reproduced more than one chart—that it has not reproduced a navigation chart as well as a general topographical chart?

Mr. HERBERT. No; I know nothing about that.

Mr. FARQUHAR. There may be three charts furnished.

Mr. HERBERT. Let us see what the date of this is. It is 1877.

Mr. DAVIS. Is it not necessary for us to go more into detail than the British Government?

Mr. HERBERT. Well, the Coast Survey people seem to think it necessary to do a great deal of expensive topography which the British do not seem to think is worth printing after it has been done.

Mr. DAVIS. This is our country.

Mr. HERBERT. Yes; and this is our Coast Survey, too.

Now, we turn to the charts of the coast taken by the Hydrographic Office, which is now conducted by a sailor, and is better, perhaps, than heretofore. In this map the topography is left out. Here you see the soundings and the lines of the shore.

Now, it is true the Hydrographic Office has in time past indulged in some of these topographical extravagances that are so unnecessary——

Mr. GLOVER. Does the gentleman mean recently?

Mr. HERBERT. I will come to that presently. I do not say they are entirely free from criticism; but the fact is that in these later days this elaborate topography is even more unnecessary than in the past, because we have now an expensive system of buoys, light-houses, range-beacons, and other guards along our coast, so that the navigators are more frequently guided by them than they are by the topography as laid down in these charts. Topography is much less necessary on that account than formerly.

The Hydrographic Bureau of to-day makes these maps generally in the simple form indicated in the map now before us. The shore lines are indicated and the soundings marked. If there is any one map of theirs where topography has gotten in more than was necessary——

Mr. GLOVER. Let me ask the gentleman on this point if he has seen the recent hydrographic charts.

Mr. HERBERT. I must decline to yield now. I was about to refer to the map of the Bahamas, and the continuation of the South American coast which was partially a reproduction of the Coast Survey map, and in which this topography was not eliminated. But the rule of the Hydrographic Office is as I have stated. That is also the rule of the British admiralty.

Here is another Coast Survey map I wish to show you as a specimen of expensive topography. This is the island of Mount Desert. These elevations are all shown not by contour lines, which would be cheaper, but by hachures, the most expensive kind of engraving. This is now a great watering place, but was not at the time this map was made. I do not mean to say that this map was made in that interest.

Mr. BOUTELLE. This was made before anybody ever thought of it for that purpose.

Mr. HERBERT. I am not asserting anything to the contrary; in fact, I had said that it was not a watering place when the map was made.

Mr. BOUTELLE. It was made at a time when Mount Desert was regarded as one of the greatest natural curiosities in the world, and which it still is.

Mr. HERBERT. Of course, and just because it was one of the greatest natural curiosities in the world, and of little or no use to the sailor, this very elaborate map was produced. That map cost thousands of dollars, the mere engraving of it after the topographic survey had been made. That is a fair sample of the practical working of this bureau under the present system. Thousands of dollars are expended upon an elaborate map of this great natural curiosity, whereas 47 miles of your own coast are yet unsurveyed, and that too the very part of which accurate surveys would be most useful to your fishermen. This survey has been going on for seventy-nine years, and we find this island beautifully mapped and the coast of Maine neglected.

Mr. BOUTELLE. You might make the same application with reference to all the other surveys.

Mr. HERBERT. I do; that is exactly my point. It is the same thing all along the coast; but I am calling attention to these particular points simply as illustrations.

Now we come to another Coast Survey map. This is the map of the coast of Massachusetts, with which my friend, Governor LONG, is well acquainted, showing Martha's Vineyard and Nantucket. Here is Martha's Vineyard, and all of these fences and other features are portrayed very clearly. If gentlemen will put on their spectacles and look at it closely they will see how liberally the work has been done, showing the minutest details of natural and artificial features. This coast survey extends, as will be seen, 2, 3, or 4 miles back, across the entire width of the island. I do not know how wide it is at this point, and will ask the gentleman from Massachusetts.

Mr. LONG. It is perhaps ten or a dozen miles across, I should say, at that point.

Mr. HERBERT. All of this has been carefully and accurately surveyed. Now, what is the use of that? Certainly it is of no use to the sailor. Look here at all these lines of fences and other features illustrating the exact topography of the land; are they of any use whatever to the mariner? Are they useful for purposes of defense?

Now, for the purpose of contrast I wish to show you a map which is the result of private enterprise.

Mr. BOUTELLE. You hold that they went over more ground than was necessary?

Mr. HERBERT. I hold that they stopped too long and spent too much money on such features as I have pointed out.

Now, here is a map which is gotten up by a Mr. Eldridge, of Boston. I suppose some of you gentlemen here know him.

Mr. DAVIS. Before the gentleman passes from this point let me ask him if this is not a part of the general system of surveys of the interior of the country as furnishing base lines for correct geographical surveys of the whole interior of the country?

Mr. HERBERT. No, sir; the transcontinental surveys are established for that purpose.

Mr. DAVIS. But they triangulate from the coast where the base lines are fixed by the Coast Survey.

Mr. HERBERT. Yes, sir; sometimes. But this Coast Survey Bureau was not established for the purpose of furnishing points for such surveys. The survey under consideration has exclusively to do with coast work.

Now, this other map is made, as I have said, by Mr. Eldridge, of Boston.

Mr. LONG. A private enterprise?

Mr. HERBERT. Yes, sir. This map represents that the surveying was done by Eldridge, the publisher; but we know he did not make the survey, although he may have made some corrections. The map is a reproduction of a Coast Survey chart. Now observe that he leaves out all the useless topography of Martha's Vineyard and Nantucket. He is making maps to sell to sailors and so he leaves out that topography, which is conclusive proof that it is not worth printing. Eldridge shows simply the shore lines and such objects as can be seen by the sailor from his ship.

Now, it will not be necessary to make that map over again so far as the shore line is concerned until the shore itself is so washed and changed that another survey will be necessary. But if this publisher had put upon it all this elaborate topography of the Coast Survey fences, houses, &c., then, whenever these fences should be changed and new houses built, new maps would be necessary. Otherwise, as Professor Powell said in his testimony, the map itself would be confusing. In some parts of Massachusetts, he says, you can not now tell the coast from the old map because these features have been growing and changing so rapidly. These maps of Eldridge are sold to the sailor at higher price than those of the Coast Survey. Eldridge makes money by his reprints because he knows what the sailor wants. If our Coast Survey had confined itself to practical map-making, seeking to meet the wants of the sailor instead of attempting to gain the applause of professors in their college chairs, this survey of the coast would have been finished long ago.

Now, sir, I have called attention to these maps for the purpose of showing that the judgment of the Hydrographic Office and the judgment of the British admiralty, sustained by that of the sailors of the world, condemns this elaborate topography as useless. Not only Americans, but all the world, buy maps from Eldridge, and sailors want no more topography than he prints.

Mr. BOUTELLE. There is topography on that map. You can not do without it.

Mr. HERBERT. Of course there must be topography, but the gentleman can not have listened to me or he has not understood me if he thinks I mean to say that all topography is useless. I said no more topography was needed by the sailor than what he could see. What he can see from his ship he wants—that is, the permanent, natural features.

Mr. BOUTELLE. Suppose on the coast the principal and only object observable is a mountain 5 miles inland—should that be on the map?

Mr. HERBERT. Certainly; that should be there.

Mr. BOUTELLE. What rule would you be guided by in putting on those objects? You would not put them on helter-skelter?

Mr. HERBERT. I repeat that the gentleman can not have listened to me or he would not misunderstand me, as he seems to do. I say these features ought to be there—all the mountains, all the rivers, all the creeks should be there; but there is no necessity for any more. The natural features are enough. What I complain of is that the survey devotes too much time to, and spends too much money upon, elaborate topography, and neglects to complete the survey of the coast. The sailor wants maps of the whole coast. He ought to have had them long ago. There has been an expenditure of $12,000,000 on topography, while only six millions have been devoted to making these soundings.

Mr. LINDSLEY. Could they have made the soundings accurately without first making the topography?

Mr. HERBERT. They could get the soundings accurately, of course, when they get the shore line and such of the objects on shore as Eldridge puts down, but I repeat there is no need of this elaborate topography.

Mr. BOUTELLE. You refer to the drawings——

Mr. HERBERT. I refer to the taking down of every fence and the accurate delineation of everything that is there along the coast. I will show the gentleman another map.

Mr. DAVIS. I want to make another suggestion. Is it not a fact

that Eldridge's map is considered more valuable because it is of more recent date? Owing to the shifting character of the coast, when composed of live sand and the currents changing, is not Eldridge's map of more value because of the recent date? And is there not another reason for his map being valuable, that it is based on Mercator's Projection, which is more familiar to sailors?

Mr. HERBERT. It is taken from the Coast Survey map.

Mr. DAVIS. With some additions. I understand he claims it is more valuable because on some points where changes have occurred he has shown those changes, and I see it is published in 1885.

Mr. RANDALL. That is not a later work, but a later print.

Mr. HERBERT. Let me go on. The Coast Survey is now resurveying Long Island Sound. Here is a map of Bridgeport, and I find here [pointing it out] figured Barnum's circus, his winter quarters. In another place is his residence. Will any of these inquisitive gentlemen, who seem to find it so difficult to understand the difference between such topography as Eldridge prints and that over which the Coast Survey lingers so long—will any of these gentlemen tell me that a coast chart ought to show where Barnum's menagerie is and where Jumbo made his headquarters?

Mr. CUTCHEON. That is for the information of the horse marines, I suppose.

Mr. HERBERT. And for their information only. In this very bill we are considering there is an appropriation for a resurvey of Long Island Sound. One of the maps I exhibited shows that on both sides of that sound the topography was taken years ago. There [pointing to it] is the map showing the north and the south sides of the sound and there is the topography extending back 3 or 4 miles.

This old survey which cost tens of thousands of dollars, and this new survey costing tens of thousands more, is rendered necessary solely because the old maps contained cultural or artificial features which have changed, and now in this new survey the same mistake is being committed. Barnum's circus and a thousand other features more ephemeral are being mapped at Government expense. At the very time this resurvey was going on at such great expense of time and money Professor Mitchell, one of the Coast Survey officials, testified before our commission that the soundings needed to be taken again along Nantucket shoals because the true location of those shoals was not known, and that millions of property passed there in a single day and could not take the shortest route but was compelled to go out of the way for want of resoundings. That is the way they have neglected the real work the Coast Survey was organized to perform.

Mr. LONG. Is not that the result of changes from the shifting of the sands?

Mr. HERBERT. That the sands have shifted is true; but that the sailor does not know now, that he does not now know where the true channel is, is the result of neglect, a shameful neglect, by the Coast Survey of the work it was set to do. If a portion of the vast sums of money spent on Mount Desert and on this useless topography had been spent on resounding Nantucket shoals we should know to-day where the true channel is, and thus time and money would be saved to our coastwise commerce. Mr. Chairman, we shall always have a necessity for a coast survey; that is to say, for resoundings. As the gentleman from Massachusetts [Mr. LONG] has suggested, the sands are always shifting, and these resurveys ought to be made in order to warn the sailor of the everchanging perils of the deep. That is where the money ought to go. But the fact is that the Coast Survey Bureau knows very well that the moment the topography of the country is completed Othello's occupation will be gone. Naval officers, under the direction of this civilian bureau, now make these soundings. They will always do this work, and there will be no excuse for the perpetuation of this expensive bureau for surveying the coast when this topographic work is completed.

Every one, I believe, admits that when that work is done the time will have come to consider the propriety of the transfer of the work to the Navy Department. The majority of the commission say that when this survey of the coast—the topographical work—shall have been completed we ought to consider this question; but they hold that the transfer ought not to be made before that time. Sir, that is a dangerous utterance. If the Coast and Geodetic Survey understands that it is to hold on to this work until it is completed, when will that day come? I venture to say, sir, it will not come during the life of any gentlemen who now listen to me. In my opinion we ought to transfer this work to the Navy now—all of it. It is true that years ago it was transferred two or three times back and forth between the Treasury and the Navy Departments; but at that time we did not have such a body of officers as we have now; we did not have our Naval Academy, which has given us a well-educated corps of officers, amply qualified, as the testimony before the commission shows, to take charge of this survey.

Now, what else? I was asked the question whether this accurate triangulation was not a part of the work done to aid States in making their surveys, and I answered that it was not.

But from the very beginning—and I have set forth in the minority report the evidence to establish the fact—from the very inception of this bureau there has been a disposition manifested and an intention clearly shown to get out into that illimitable field of geodesy. When the survey began on the coast of Maine the coast was neglected (47 miles of which is not yet surveyed), and triangles were extended entirely across the lower portion of the State, far back into Massachusetts. This disposition to get away from the coast and into the interior has been manifest from the beginning till now. Then afterward, about 1868, they began an independent system of triangulation along the Appalachian chain, commencing in Pennsylvania; they carried it along down that chain until now they have reached the State of Alabama. What is the purpose of that triangulation and where is the law to justify it? I asked a Coast Survey officer to cite me to the law authorizing this work. To me it seemed that it was done to consume time, or perhaps not so much for that as for the purpose of getting out into a new field of work which would perpetuate the existence of the bureau after the time should come, if ever, when the topography along shore should be completed and the Navy would claim the work. The officer could cite no statute authorizing this triangulation, but said that it was estimated for 1868.

I looked at the Book of Estimates for that year and found an estimate of, say, $15,000 grouped with a lot of other estimates, amounting, we will say, to $75,000 (I will not be accurate about the figures), and the appropriations for those items would amount to, say, $40,000; so that from looking at the estimates and at the appropriations made, which did not mention anything of the kind, nobody could see that there was any such survey provided for. In that way, by these "unobtrusive appropriations" inserted in the annual bills, it went on for several years. This is a fair sample of the subtle methods resorted to by this bureau to draw money from the Treasury and perpetuate its existence.

Mr. HOLMAN. To what extent were geodetic surveys made by the Coast Survey prior to 1868?

Mr. HERBERT. I think the first of that work was done in 1868. That is my recollection. In 1871 there was ingrafted upon one of the appropriation bills authority to fix points for State surveys and to run a grand system of triangles across the continent. What was that for? It was done, of course, as all the evidence shows, at the instance of the Coast Survey, and the testimony quoted in the report of the commission abundantly establishes their intention to become a bureau for carrying on this geodetic survey before they should ever relinquish the work of the Coast Survey.

I make no criticism upon the character of the geodetic survey. There is no doubt that it is very accurately and well done, and that in no country has it ever been done better; but it is also true that it is very expensive, and in my opinion it is far in advance of the wants of the present day, except possibly that portion of it which provides for the fixing of points for State surveys.

Mr. LONG. What do you say about that? Ought that to be interfered with?

Mr. HERBERT. I certainly do not think there ought to be any fixing of points for any State survey unless it is particularly estimated for and a request made for it beforehand, and even then I have great doubt whether the General Government ought to undertake it, because I believe that all the States ought to be treated alike. I do not think the Federal Government has a right to spend money to help the State of Massachusetts, for instance, because it is engaged in a State survey, while it does not help the State of Connecticut, which is not so engaged. If all are engaged in surveys and all are treated alike, then it may be right and proper; but for the General Government to spend money for the benefit of one State and not for another is not, in my opinion, in accordance with the principles on which we ought to make appropriations here.

Mr. HOLMAN. Are not geodetic points established by ordinary astronomical observations with substantially the same accuracy as by the system of triangulation?

Mr. HERBERT. In order to establish those points it requires the use of telegraphic methods, of astronomical methods, and of geometrical methods.

Mr. HOLMAN. But are not the results about the same?

Mr. HERBERT. My own opinion, which is formed after a careful study of the subject, is that in order to secure accuracy all the methods that are resorted to by the Coast Survey are essential.

Mr. HOLMAN. And there is no absolute accuracy after all?

Mr. HERBERT. No; not absolute, but still very accurate.

But to return to the point from which I was diverted. I asked Mr. Colonna, when before the commission, for what purpose this triangulation was made down along the Appalachian chain. He answered that the object was to verify the work along the Atlantic coast. But in reply to that answer I said, "The maps have already been made down there; you have already triangulated that before making this triangulation out on the Appalachian chain." And that was not denied.

I ask gentlemen what can be more useless than the expenditure of thousands of dollars to "verify" the accuracy of maps already made? I think I should dignify this excuse if I should call it a subterfuge, especially from the Coast Survey, who were examined on this question, when we find that this very witness, Mr. Colonna, said there was no error in this triangulation along the coast that was greater than 150 or

160 feet, and that Mr. Schott, who is considered one of the most scientific men in the bureau, said there was no error greater than 50 or 60 feet; and both of them said that on none of the maps could such an error appear, for a mere line on the maps made would represent more space than would be included in 150 or 160 feet. This I take it is proof positive that the triangulation along the Appalachian chain is unnecessary for the purposes of nautical maps. Now, as to this survey across the continent.

Mr. RANDALL. Has the gentleman yet touched on the expenditures for "furnishing points for State surveys?" I have here a statement of the manner in which the money appropriated for that purpose has been expended, and I would be glad if the gentleman could incorporate it as a part of his remarks.

Mr. HERBERT. I have not looked at the statement, but I will do so.

The statement is as follows:

Statement of expenditures on account of the appropriation for "furnishing points for State surveys" for the fiscal year ending June 30, 1885, and for the period from July 1, 1885, to June 23, 1886, showing name, official position, name of college to which attached, residence, character of expenditure, where expended, and the amounts expended by each person engaged on the work.*

Name.	Official position.	College.	Residence.	Character of expenditure.	Where expended.	Amount expended.	
						1885.	1886.
Barlow, V. G.	Acting assistant	Vermont University	Burlington, Vt.	Field triangulation	Vermont	$1,011 64	$1,090 14
Barnard, Louis H.	do	State College, Pa.	State College, Pa.	do	Pennsylvania	48 00	1,087 16
Bowser, E. A.	do	Rutger's College	New Brunswick, N. J.	do	New Jersey	2,350 00	2,293 98
Bradford, Gershom	Assistant, C. and G. S.		Baltimore, Md.	do	Massachusetts	996 55	
Buchanan, A. H.	Acting assistant	Cumberland	Lebanon, Tenn.	do	Tennessee	1,579 01	1,248 22
Campbell, J. L.	do	Wabash	Crawfordsville, Ind.	do	Indiana	1,600 00	1,169 58
Davis, John E.	do	University of Wisconsin	Madison, Wis.	do	Wisconsin	2,146 24	1,717 36
Devol, R. S.	do	University of Ohio	Athens, Ohio	do	Ohio	989 89	1,005 62
Merriman, Mansfield	do	Lehigh	Bethlehem, Pa.	do	Pennsylvania	1,486 55	1,615 65
Perkins, F. Walley	Assistant, C. and G. S.		New Orleans, La.	do	Massachusetts		930 48
Quimby, E. F.	Acting assistant	Dartmouth	Hanover, N. H.	do	New Hampshire	1,440 98	1,448 45
Tittmann, O. H.	Assistant, C. and G. S.		Washington, D. C.	do	Pennsylvania		994 84
Whiting, Henry L.	do		Boston, Mass.	do	Massachusetts	329 05	306 00
Total						13,997 91	14,907 48
Appropriations						14,000 00	16,300 00
Unexpended balances						2 09	1,392 52

*Referring to acting assistants temporarily employed under the provisions of paragraph 17, regulations Coast and Geodetic Survey, which reads as follows: "The superintendent may employ temporarily, from time to time, for periods not exceeding seven months in one year, as may be required in the execution of the geodetic and magnetic work, acting assistants, whose pay shall not exceed $4 per working day, and who shall in no case be considered as attached to the normal or permanent force of the Coast and Geodetic Survey: *Provided*, That not more than two such acting assistants shall be employed in any one State at the same time without special authority from the Secretary of the Treasury."

One word more in order to answer the question about this transcontinental system of triangulations. When we asked Professor Hilgard for what purpose he wanted this system of transcontinental triangulations he said, "To tie together and bring into harmony the work on the Atlantic and Pacific coasts." Now, that is a high-sounding phrase, but it means absolutely nothing when you come to look into it. Why? Because the lines of longitude are ascertained by astronomical and telegraphic methods with so much accuracy that it is claimed the officers of the Coast Survey have sat here in Washington and by means of the telegraph corrected the difference in longitude between Paris and Greenwich, which before that time had been relied upon by the English and the French.

Mr. WARNER, of Ohio. If it will not disturb the gentleman, I would like to ask to what extent this geodetic survey, this system of triangulations, is being carried across the continent?

Mr. HERBERT. I was about to say that there is no necessity for this transcontinental system of triangulations, because the lines of longitude are ascertained with so much accuracy without it.

Mr. WARNER, of Ohio. But this triangulation is going on?

Mr. HERBERT. A single grand chain of triangles is being extended across the continent, and is about four-fifths completed.

Mr. WARNER, of Ohio. And what is expected to be accomplished by it?

Mr. HERBERT. When we made that inquiry in the committee the answer was that there ought to be a general geodetic survey of this whole country; that systems of triangulations ought to be run across the country north and south and east and west, at distances of one or two hundred miles apart, in order to afford the basis for a map to be made at some time in the future; that is all there is of it.

Mr. WARNER, of Ohio. But was not the original purpose to determine by those methods of triangulation the figure of the earth, its rotundity, which, of course, as the gentleman has said, can be much better ascertained by astronomical and telegraphic methods?

Mr. HERBERT. I do not agree with my friend that the shape of the earth can be determined by those means alone. Triangulation is also necessary for goedetic purposes, and, of course, one of the avowed purposes is to aid in ascertaining more accurately the shape of the earth.

Mr. STORM. I presume the object of this geodetic survey is to determine the prominent physical features of the continent.

[Here the hammer fell.]

Mr. RANDALL. I will take the floor and yield to the gentleman from Alabama, so that he may conclude his remarks.

Mr. HERBERT. I will finish what I have to say in a very few words. I desire to sum up very briefly the thoughts which I have endeavored to convey, and which have been expressed in a very desultory manner because of the many questions asked me.

Mr. WARNER, of Ohio. Will the gentleman be kind enough to state whether it is the Coast Survey or the Geological Survey that is now carrying on this geodetic work, or whether it is being carried on by both?

Mr. HERBERT. The Coast Survey is doing the strictly geodetic work. The Geological Survey is doing work by the same methods, but with much less accurate results. The Geological Survey uses the points which have been fixed by the Coast Survey when it has them at hand, but does not wait for them. It does its work with a great deal of rapidity, but with much less accuracy than the Coast Survey; at least so the Coast Survey officers claim.

A MEMBER. Does the Geological Survey admit that?

Mr. HERBERT. It does not; but I have no doubt, from the whole testimony, it is true.

On the point that the expensive topographic methods of the surveys render resurveys more necessary, I desired to refer to the testimony of Mr. Hilgard. It will be found on page 155 of the evidence. He says:

> The country is building up on the shores of Long Island Sound, for instance, so that you would not recognize the shore from the old maps.

It would not be so if the cultural features were not put down. Surveys and resurveys, therefore, become necessary. It is an extravagant system and ought to be discontinued.

Now, the gentleman from Pennsylvania asks me a question which I will answer.

Mr. RANDALL. I ask the gentleman from Alabama to insert that paper which states the matter of expenditure of $12,000.

Mr. HERBERT. The Coast Survey has claimed that no one else could do this work as well as it could. That is to say, Mr. Chairman, that the naval officers educated at Annapolis are not competent to do this work. Yet this Coast Survey employs professors in the various colleges throughout the country to do it. In other words, sir, this geodetic work, much of it, is done by professors in colleges, who never had a theodolite in their hands, who know nothing practically about the matter. Every year, I think, the committee puts in an appropriation for that specific purpose, to pay for the employment of these professors. One of the Coast Survey witnesses said in his testimony, "It was to enable the professors better to educate the youth of the country." Is that reason satisfactory to any gentleman here? Is there not rather a political purpose in it? Is it not to secure strength upon this floor in order to prevent the Coast Survey being reformed? I leave you to judge for yourselves.

Mr. DAVIS. Would it not be useful? Perhaps it is fair to say the changes which take place in the topographical features of the country at certain periods ought to be shown and presented by these surveys. We know old maps become valuable as showing the changes which have taken place in the country. How can we preserve any knowledge of these changes otherwise than by these topographical surveys and maps?

Mr. HERBERT. As I take it, all the Government needs is a survey to map out the natural features of the country. For practical purposes

all we want is to put down the shore lines, the rivers, the harbors, the bays, the inlets, the hills, and mountains. These are permanent features.

Mr. DAVIS. Take the harbor of New York, where at the present time important topographical changes are occurring.

Mr. HERBERT. But not over the whole of Long Island. There is no necessity for making the chart of Long Island a cadastral, or property map, showing the boundaries of every man's property. That is what these maps are, really cadastral maps, because they survey every fence and mark them down with as great care as if they were fixing the boundaries of property. But they fix no landmarks for the owners, they settle no disputes about property, for they have no authority or power to do anything of the kind. In fact this elaboration is of no earthly use.

Now, will this House sustain this unnecessary and extravagant system? If so, upon what ground will it be done? Is it because this old spendthrift has become so venerable by age we dare not reform it? I can not see any other reason. Or is it the reason given by the majority of the committee, and that is, we ought not to express any opinion on it because it is approved by scientific men of the world?

I have shown sailors everywhere have no sort of use for these topographical details. It seems to me, therefore, this appropriation bill has not even gone far enough. It proposes to retrench and save some $160,000, but it should go further and cut out some of the appropriations for resurveys.

Mr. GLOVER. I would like to ask the gentleman if he has seen the map of the harbor of Corinto, prepared by the Hydrographic Office in May, 1885?

Mr. HERBERT. That is the map of which I have been speaking, after the establishment of the Coast Survey.

Mr. GLOVER. Does not that map contain the topography of a railroad line, a man's back yard, and all of the objectionable features which the gentleman has referred to in connection with the Coast Survey's maps?

Mr. HERBERT. Well, it is a Coast Survey map.

Mr. GLOVER. No, sir; it is a Hydrographic map.

Mr. HERBERT. I have said that there are some of the Hydrographic maps that contained these features; but I condemn all such maps, no matter whether prepared by the Hydrographic Office or any other. Such a map is not worth the money it costs. No man can justify such an expenditure, or excuse it, unless by saying that he does not understand these things and will not set up his judgment against that of scientific men. That is the ground the majority take in their report.

Mr. RANDALL. You mean the majority of the commission, not of the committee who reported this bill?

Mr. HERBERT. Yes; of the commission who examined this subject.

Mr. BOUTELLE. Let me interrupt the gentleman from Alabama for a moment.

Mr. HERBERT. Yes, sir.

Mr. BOUTELLE. I understood the gentleman to say that the Coast Survey now recommend a resurvey of the Long Island coast by reason of topographical changes.

Mr. HERBERT. I did not understand the gentleman's question.

Mr. BOUTELLE. I understood you to say that the Coast Survey was engaged upon a resurvey of Long Island.

Mr. HERBERT. Yes, sir.

Mr. BOUTELLE. Did I understand the gentleman to say that this resurvey was made necessary because of changes that had been made in the topography of the island?

Mr. HERBERT. I say this: They are making a resurvey of Long Island, and the testimony of Professor Hilgard shows that it is rendered necessary by reason of the changes which have taken place in the cultural features delineated on the old map.

Mr. BOUTELLE. And not by reason of a change of the coast or of shoals along the coast?

Mr. HERBERT. Professor Hilgard gives the reason——

Mr. BOUTELLE. For if he has stated that as the reason, it seems to me to be a most remarkable statement.

Mr. HERBERT. I have given my authority. Professor Hilgard says it is by reason of the cultural features which have been changed since the former survey.

Mr. BOUTELLE. Does he give that as the sole reason for making a new map?

Mr. HERBERT. I have given the language of Professor Hilgard more than once. He says the country is building up on the shores of Long Island; and because it is building up, so that you would not recognize the shores from the old map, it is necessary that there should be a resurvey.

Mr. BOUTELLE. Is that the sole reason he gives?

Mr. HERBERT. That is the reason he gives. The testimony upon this point was very fully and carefully taken and is set forth in the minority report. Much of it is from Professor Powell.

The gentleman from Pennsylvania said that the Committee on Appropriations could not undertake to correct all of these abuses.

Mr. RANDALL. I said we could not undertake in this bill—we could not undertake to do what the gentleman has so elaborately set forth for the reason that it would be a change of existing law. We tried in every possible way to meet his views by reducing the appropriation, and that is all we could do.

Mr. HERBERT. Yes; that was what I was about to say. The appropriation for shore work seems to have been reduced in this bill and most properly so. I trust the appropriation for this shore work will never again be so large as heretofore. Instead of resurveying Long Island shore they should complete the coast of Maine and the works elsewhere along the coast.

Mr. RANDALL. There is a provision in the bill looking to a survey of the coast of Maine from Machias Bay toward Quoddy Head.

Mr. HISCOCK. Let me ask the gentleman from Alabama how far inland do they survey in connection with the soundings?

Mr. HERBERT. The testimony is that they take the topography of the shore from 1 to 3 miles inland, sometimes very much farther, and sometimes much less.

Mr. HISCOCK. Is not that absolutely necessary?

Mr. HERBERT. I think not.

Mr. HISCOCK. I would like the gentleman to answer this question: Does he not understand that every object which may be salient, which may be sighted from the sea, should be included in the survey and marked on the chart? Does he not understand that that is absolutely necessary for the safety of the sailors? Did the gentleman ask that question?

Mr. HERBERT. I did.

Mr. HISCOCK. And do you mean to say that they told you that was not so?

Mr. BOUTELLE. If they did they do not know their business.

Mr. HISCOCK. The point I make is this: That so far as reducing this expenditure is concerned—and I have examined this question a little; I appropriated once for this matter—wherever within sight of the shore there are prominent hills, mountains, anything which is an object which the sailor may use, that the pilot employs and calls into use when he is upon the water, it is absolutely necessary his charts should take in those objects and be a perfect continuation of the survey he has got on the water.

Mr. LONG. In justice to the gentleman from Alabama it should be stated that that is what he has been saying over and over again.

Mr. HISCOCK. I understood the gentleman to say that they did not say that.

Mr. HERBERT. I have said half a dozen times that all these natural objects should be included.

Mr. HISCOCK. Not natural objects merely, but also the artificial objects should be included—light-houses, steeples in the villages, everything that can be recognized by the pilots.

Mr. HERBERT. That brings it right down to a point and is a good illustration of the difference between my contention and the practice of the Coast Survey. I said in the beginning, and I repeat it, that all natural objects should be put down because they are permanent. But in answer to the gentleman from New York [Mr. HISCOCK], I repeat that these cultural objects should not be put upon the map, because they are evanescent and perpetually changing; and if you do it your map will be, as Professor Hilgard says, confusing, because you must keep up with changes in those objects, and as often as a new house or a new steeple is built you must put that down; and if you do that it will cost more money than any government in the world will be willing to pay.

Mr. HISCOCK. You will find, so far as pilots are concerned, that they will tell you it is a great convenience, to say the least of it, to have on their charts every object on the coast with which they become familiar.

Mr. HERBERT. Local pilots have little use for nautical charts. Except for the soundings, they seldom refer to them. They are on the spot all the time. They keep up with all the changes, natural and artificial. They know of the building of every church and every steeple. It is your pilot from a distance who undertakes to bring in his own ship that consults the chart. This is the pilot who wants the chart. If there could be a new survey every month and a new chart engraved and printed the same month, so that he could always have a map showing the cultural features as they exist, then, of course, he would want all the artificial features put down. But the fact is otherwise. These surveys can not be made every month. Years elapse from one survey to another. Years often elapse between the survey and the publication of a map, so that even on the day a map is printed it is incorrect and confusing if it undertakes to put down these features.

But the fact is, sir, that the modern sailor is mostly guided by beacon-ships, light-houses, buoys, &c. These things have increased in our country, and the appropriations for them in all our appropriation bills have increased rapidly for the last twenty years; and just in proportion as the sailor places increased reliance on these aids to navigation he has less and less need for the topography I have been speaking of.

Mr. BOUTELLE. Does the gentleman think the future topographer should include the Bartholdi statue in his map?

Mr. HERBERT. I do, because that will be a permanent and prominent object like a light-house. But I do not think the future topographer will put down Barnum's circus. If he does and asks me to vote money for it I shall refuse to do it.

I thank the House for the courtesy it has shown me.

Pensions and Pension Legislation.

SPEECH

OF

HON. WILLIAM R. MORRISON,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Friday, July 30, 1886.

The House having under consideration the message of the President returning without his approval the bill (H. R. 7436) granting a pension to Mary Anderson—

Mr. MORRISON said:

Mr. SPEAKER: It would seem that very much of what is said here professedly in behalf of the soldiers of the country is not said alone for their benefit, nor for the sole purpose of obtaining for them that relief which we are so often told their patriotism, sacrifices, and sufferings justify and demand.

In the vetoed case under consideration the widow's husband was in his lifetime a pensioner, and was no longer ago than 1882 killed by a railroad train, and in a way not fairly traceable to his Army service. All such cases appeal strongly to our sympathies, but I do not see upon what principle or rule of action we can grant a pension in any such case until we are ready to grant pensions to all the men and the widows of all the men who served in the war, which we are not yet able to do. We have not yet given a pension to the men who served in the Mexican war forty years ago.

When the bill to increase the pension of General Hunter's widow, just disposed of, was under discussion the gentleman from Ohio [Mr. BUTTERWORTH] allowed himself to attribute the opposition to its increase to the fact that General Hunter was one of the officers who tried Fitz-John Porter, and in a spirit of general accusation against the majority the gentleman from Ohio referred to the too liberal pension granted to the widow of General Hancock, but which he says was very properly done and for which he very cheerfully voted. I did not vote for the $2,000 pension to Mrs. Hancock. It was and is without a precedent. It is a new departure in pension legislation which is likely to be expensive. As compared with the great mass of the bereaved and widowed she lives in affluence and plenty. The yearly $2,000 given her might, as I believe, have been more prudently and justly given in sums of $100 each to twenty dependent widows.

The widow of General Hunter receives now $30 per month, the amount the law gives to all widows of officers of her husband's rank. She, too, is blest, at least favored, with great abundance and good fortune. Exceptions and increases in the amounts allowed by general law ought to be allowed only in exceptional cases—in cases of great hardship and to relieve actual want or suffering. This is not one of them.

When one of the first vetoed pension bills was considered the President was criticised and accused of placing the stigma of desertion on the memory of the dead soldier, when the fact was the President but stated what appears in the records of the War Office, where the charge of desertion was placed twenty years ago and still remains.

Mr. TAULBEE. Will the gentleman allow me?

Mr. MORRISON. Yes, sir.

Mr. TAULBEE. I presume you refer to the case——

Mr. MORRISON. Of Tiller, who claimed as alleged dependent father of the deceased soldier. I think it was the Tiller case.

Mr. TAULBEE. I will be glad if you will state who accused the President during that discussion. I advocated that claim.

Mr. MORRISON. Not the gentleman from Kentucky, who is always fair in debate, and who said that with the facts before the President the veto was justified. But that was not the character of all the discussion in the vetoed cases, much of which was in the same spirit of partisan, unfair, and unjust criticism which marks most of the pension discussion in and out of Congress.

On Friday evening last when the bill giving a pension of $50 a month to the widow of General Stannard, the dead messenger of the House, was passed with no vote against it the gentleman from Ohio (General GROSVENOR) availed himself of the customary courtesy and took leave to extend his remarks in the RECORD, which he did two days later, saying, among other things:

I have no word to say against the honest confederate soldier. I do not wonder that they do not feel the zeal in this behalf that we do. I say, Mr. Speaker, that these confederate generals and colonels and majors and captains and statesmen have been vastly out of proportion in their liberality as compared with the Northern Democrats. The men who in this Congress have hedged the way to the relief of the soldier have not been the confederate gentlemen, but have been the Democratic members from the North, as I will proceed to show you.

I do not wonder, Mr. Speaker, that our Southern brethren—our erring Southern brethren—our returned brethren—the men who boast that they are "in their father's house," and have "come to stay"—I do not wonder that they have feeling upon this question. The brave men of the South who at the call of what they believed to be patriotism—mistaken, and horrible though the mistake was—are suffering as our men are suffering, and barred from participation in these bounties by constitutional provision, barred by public sentiment, and yet no constitution, no public sentiment can bar humanity. You may pile constitutions as high as mountains between the vote of an ex-confederate Congressman and a suffering and dying comrade of his own command, and you can not strangle humanity; you can not stifle that feeling of comradeship which is as strong between the men of the South as between the men of the North. I hope it may never die. It ought to live.

Was this intended to help General Stannard's widow, whose pension no one opposed? Was it to help any soldier, soldier's child, or widow to a pension? No; not that. For long years the party associates of the gentleman, and I doubt not the gentleman himself, have been telling the people of the North that the Democratic party was so dominated by Southern men that when it got into power they would prevent payment or granting of pensions. But now comes the gentleman from Ohio and confesses the great wrong his party has done his Southern brethren, "these confederate generals and colonels and majors and captains and Southern statesmen," who he finds vastly more liberal in granting pensions than Northern Democrats. Why this shift of accusation from South to North? Is it because of that feeling of comradeship among Southern men which the gentleman from Ohio hopes may never die he believes to further accuse them of illiberality in granting pensions would lose them no votes? Is it because he believes to so accuse Northern Democrats might cause them to lose some votes? Or are we permitted to believe that the gentleman from Ohio is willing to subordinate the cause of meritorious pensions and give it over to vote-getting?

In the furtherance of his purpose, which can hardly be misunderstood, the gentleman (General GROSVENOR) permitted himself to say:

To the proposition of certain Democrats to add a revenue measure to each pension bill I put up the answer of the committee on pensions of the Grand Army of the Republic made to Congress this year. It is as follows:

BOSTON, MASS., *July* 1, 1886.

SAMUEL S. BURDETT,
Commander-in-chief Grand Army of the Republic:

The committee on pensions, appointed under resolution of the national encampment of the Grand Army of the Republic, and authorized to speak therefor, feel impelled, through you, in the name and behalf of three hundred and twenty-five thousand veterans, to enter an emphatic protest against the proposition now pending in Congress to attach to all pension bills—and pension bills only—a measure of special taxation to provide for the payment thereof.

This proposition is not to increase the revenues of the Government for general purposes by new taxation, but in effect a declaration that while all other expenditures of the General Government, for salaries, public buildings, river and harbor improvements, and the like, shall continue to be paid from existing sources of revenue, the debt due to the soldiers and sailors of the Republic, for which the most solemn faith of the nation has been plighted, the pensions to the men who gave sight and hearing, limbs and health, and who offered their lives in defense of the nation, shall mercilessly stand aside, unless subjected to the invidious distinction of a special method of taxation.

That every other obligation of the National Government shall be met from the usual and ordinary revenues, but the obligation to the soldier be singled out and alone made to bear the burden of a new and special tax.

That in the payment of pensions, and pensions alone, one class of the people shall be arrayed against another—the tax-payer against the beneficiary—by providing as to pensions, and for no other form of indebtedness, a particular tax for a specified purpose.

Speaking in behalf of our comrades of the Grand Army of the Republic, we protest against this measure as the most iniquitous possible, and which the Union veterans of the country will resent and repudiate.

Respectfully yours,

G. S. MERRILL,
JAMES TANNER,
JOHN C. LINEHAN,
JOHN S. KOUNTZ,
Committee on Pensions.

Mr. Speaker, we here find the gentleman writing down that "certain Democrats" proposed to add a revenue measure to "each pension bill" and indorsing the Grand Army of the Republic committee statement that it was proposed to attach such a measure to "all pension bills," that "the debt due to the soldiers and sailors shall mercilessly stand aside unless subjected to the invidious distinction of a special method of taxation." Now, he could but know that his own statement, as well as the statement of the Grand Army committee, was unfair and unjust, because both were untrue. No one has offered to add a revenue measure to each pension bill, nor proposed that the debt due the soldiers and sailors should mercilessly or otherwise stand aside unless subjected to a special or other method of taxation whatever. It has never been proposed by anybody to pay or to provide for paying the many private pensions annually granted or the debt due to the soldiers and sailors, amounting annually to more than $65,000,000, otherwise than from the ordinary sources of revenue from which all other ordinary expenses and obligations of the Government are paid.

The proposition so misconstrued and misinterpreted imposed no condition upon the payment of any pension granted or to be granted. It laid no tax, made no loan, reached no hoarded surplus. It did provide a means by which the House might or might not, in its discretion, lay a tax, make a loan, or reach an idle and useless surplus to pay pension arrears or other new and largely increased amounts made payable by general pension bills and for the payment of which the ordinary revenues are or may be insufficient. In this measure the Grand Army committee pretend to find that iniquitous purpose which must be looked for among those who inspired the committee's statement.

In the effort to make it appear that his party has done everything and ours nothing for the soldier the gentleman from Ohio declares "there is no truth in the statement" that General Grant vetoed the bounty-equalization bill originated and passed in a Democratic House. He says "there

can not be found in the United States the original or a copy of any veto of that bill ever issued by General Grant." This statement is the merest quibbling evasion. The bounty-equalization bill was passed by the House and by the Senate. It was sent to General (or President) Grant, and did not become a law for want of his approval.

Comparisons are frequently made in discussions by the gentleman from Ohio and others between the relative amounts paid for pensions and for interest on the public or war debt. What relation this comparison has to the granting of pensions is not clear. Nor am I quite sure of its purpose, unless it is made in the belief that the payment of pensions falls largely upon the owners of the bonded debt and other public securities; and generally upon the fortunate owners of capital to whom the burden of payment would be no privation or hardship. Such a belief would be a grievous error. The taxes which were laid upon property, capital, and income during the war for the payment of its cost, including pensions, have all been removed. Now pensions, as well as interest on the public debt and all other money obligations of the Government, are paid by taxes laid on articles in every-day use, and therefore these obligations, including pensions, are paid in unequal proportion by those who are no further removed from want and suffering than are those to whom the pensions are paid.

But, sir, what are the facts and what justice is there in the statement that the majority here has failed to respond to the just demand of the soldiers, their widows or dependent relatives? When the first Democratic House after the war met in 1875 the pension-roll was $29,683,116, and was apparently falling off, for in 1878 it was less than $27,000,000. Since then it has grown with the aid of legislation originating in a Democratic House to $65,747,380 last year and we have appropriated $75,000,000 for this year. In this Congress we have added $4 per month, estimated at $6,000,000 a year, to the pensions of widows who have no votes.

After nearly forty years we have enrolled in the House the Mexican war soldiers at a cost of at least $5,000,000 a year. This pension bill everybody favors, but it never gets through, and neither Northern Democrats nor "these confederate generals and colonels and majors and captains and Southern statesmen" have hedged the way.

Not only in legislation but in administration have the Democrats greatly exceeded their opponents in granting pensions. More than twenty years had elapsed before the appointment of the first Democratic Commissioner of Pensions after the war, General Black. In that time it might reasonably be supposed that all pension claims which were good or could be shown to be good had been allowed by his Republican predecessors, and that only such as were of doubtful propriety or very difficult of proof remained to be considered by him. It fell to him to adjust such claims only as his Republican predecessors would not, or at least did not, allow, or as the claimants in all that time were so doubtful of the justice of such claims they did not present them. In short, it fell to him to adjust claims which were largely of the shadowy kind—shadowy at least so far as the claimants were able to present them. Yet, with such cases coming down to him, General Black in the fiscal year ending with June last, his first full year in office, issued 81,222 pension certificates, which is 6,721 more than was ever issued in any previous year. And this great labor was done with a considerably reduced clerical force, saving in appropriations and reduction in the cost and expenses of the Pension Office, as shown by a statement here submitted.

The work of the Second Auditor's Office is, next to the Pension Bureau, the most important branch of the public service to those who served the country in the late war.

The Second Auditor, Mr. Day, and the force in his office settle the claims of soldiers, their widows and orphans, for arrearages, back pay, and bounty.

He came into office twenty years after the war, during which time his Republican predecessors with all the clerical force demanded had been adjusting these claims. Such as were easily adjusted and could be established without painstaking and great labor were no doubt settled; only those most difficult and hard to establish came down to him to settle; and yet left to the consideration of such claims only as his predecessors had not in twenty or more years been able to adjust, at least did not settle and pay, this faithful and effective officer settled in his first year more than three thousand claims in excess of those allowed by his predecessor in the previous year. His allowances were half as much more than the previous year. The accounts audited, vouchers handled, and all the business of his office increased in like proportion in the interest and for the benefit of soldiers living or widows and children of soldiers dead, and all this has been accomplished with a less average number of clerks and a considerable decrease of expenditure.

Mr. Day and his work in behalf of those whose claims come down to us from their war services has commanded the unstinted approval of the gentleman from Ohio [Mr. BUTTERWORTH], who, in his speech on one of the appropriation bills, said:

Mr. Day, the Second Auditor, is an energetic, conscientious, clear-headed man. Nobody can go about his office without appreciating the fact that the President was fortunate in choosing such a man for Second Auditor. He is crowding the business of his office.

In conclusion, I repeat that very much of what is said here and elsewhere on the subject of pensions is not intended for the single purpose of securing relief for those entitled to the gratitude and beneficent aid of the Government, but is said for partisan purposes and in terms and statements unfair and unjust because untrue.

APPENDIX A.

PENSION OFFICE STATEMENT.

Statement showing the amount of appropriations and the actual expenditures during the year 1886.

	Appropriated.	Expended.	Balance.
Salaries of clerks	$1,954,650 00	$1,789,774 05	$164,875 95
Salaries of special examiners	210,000 00	165,045 75	44,954 25
Per diem and expenses of detailed clerks	360,000 00	307,508 70	52,491 30
Per diem and expenses of special examiners	220,000 00	176,359 36	43,640 64
Total	2,744,650 00	2,438,687 86	305,962 14

Of the balance ($305,962.14) $71,190 represents the amount saved by operation of law and $234,772.14 by economy of office.

The records of the bureau further show a saving in the matter of stationery, printing, and binding during the year of $13,683.55.

This immense work has been performed with a force of clerks less by over one hundred than for the years previous.*

The number of names added to the rolls was 43,166. For comparison see page 21 of Commissioner's report, 1885. ‡

During the fiscal year ending June 30, 1885, there was paid out for pensions, including arrears, the sum of $65,733,094.27. †

During the fiscal year ending June 30, 1886, the Pension Office issued 81,422 pension certificates, a larger number by 6,721 than were ever issued in any previous year. In the month of June the number of pension certificates issued was 10,3.5. ‡

For comparative statement of amounts expended, year by year, from 1873 to 1886, inclusive, with average clerical force, see below:

Statement showing the average clerical force, year by year, and the amount of money expended on account of pensions.

Year.	Disbursements on account of pensions.	Clerical force.
1873	$29,185,289 62	341
1874	30,593,749 56	324
1875	29,683,116 63	330
1876	38,351,599 69	353
1877	28,580,157 04	334
1878	26,844,415 18	335
1879	33,780,526 19	375
1880	57,240,540 14	375
1881	50,626,538 51	367
1882	54,296,280 54	759
1883	60,431,972 85	1,545
1884	57,273,536 74	1,547
1885	65,733,094 27	1,631
1886	65,747,380 00	1,519

APPENDIX B.

STATEMENT OF ARREARS, BOUNTY, ETC.

In the Second Auditor's Office during the twelve months ending June 30, 1886, the average number of clerks employed was ten less than in the previous fiscal year, and there was a decrease of more than $20,000 in the expenses.

In the matter of claims for arrears of pay and bounty there was an increase of 3,314 in the number settled and of $247,652.78 in the amount allowed, the total amount certified in 1885 being $540,064.52, and in 1886 $787,717.30.

The record of money accounts audited shows an increase of 632 in number and $9,285,000 in amount, and 425 more property accounts were examined and disposed of in 1886 than in 1885.

The correspondence of the office shows a large increase, 64,375 letters received and registered against 44,682 in 1885, an increase of 19,693, and 220,130 letters written against 200,362 in 1885, an increase of 19,768.

The other principal items of increase are:

Vouchers handled by file clerks in 1886	1,394,289
Vouchers handled by file clerks in 1885	1,209,788
Increase	184,501
Pay-rolls and other vouchers repaired in 1886	23,571
Pay-rolls and other vouchers repaired in 1885	14,761
Increase	8,810

* The following is a statement of the clerks borne upon the rolls at the periods named:

June 30, 1884	1,552
March 16, 1885	1,665
June 30, 1885	1,540
June 30, 1886	1,536

† Of which 2,314 were restorations.

‡ From March 17 to June 30, 1885, the Pension Office was under the administration of the present Commissioner, and during said period 31,204 pension certificates were issued, of which 15,906, or 51 per cent., were originals, making a total issue from March 17, 1885, to June 30, 1886, inclusive, of 112,626, and a total addition to the rolls of 56,756 new names. The amount paid out for pensions during the period from March 17, 1885, to June 30, 1885, was $23,643,851.77; to June 30, 1886, $65,747,380; making a total of $89,391,231.77.

Pages of defaced and mutilated pay-rolls copied and verified in 1886...	1,274
Pages of defaced and mutilated pay-rolls copied and verified in 1885...	128
Increase	1,146
Pages of accounts, &c., journalized in 1886	3,068
Pages of accounts, &c., journalized in 1885	1,997
Increase	1,071
Certificates of non-indebtedness issued to claimants in 1886	5,602
Certificates of non-indebtedness issued to claimants in 1885	4,022
Increase	1,580
Requests for information received from the Pension Office, Third Auditor's Office, Adjutant-General's Office, and other bureaus in 1886...	18,138
Requests for information received from the Pension Office, Third Auditor's Office, Adjutant-General's Office, and other bureaus in 1885...	14,425
Increase	3,713
Requests as above answered in 1886	17,212
Requests as above answered in 1885	13,716
Increase	3,496
Settlements journalized and posted in 1886	4,283
Settlements journalized and posted in 1885	3,985
Increase	298
Signatures of officers and soldiers compared for the Pension Office and other bureaus in 1886	7,979
Signatures of officers and soldiers compared for the Pension Office and other bureaus in 1885	5,204
Increase	2,775

Republican Management of the Navy.

SPEECH

OF

HON. HILARY A. HERBERT,

OF ALABAMA,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, August 5, 1886.

On the subject of appropriations for the Navy and the bill to increase the efficiency thereof.

Mr. HERBERT said:

Mr. SPEAKER: Republican and Democratic methods are nowhere so aptly illustrated as by the history of our Navy read in the light of the figures made in the last twenty years. Other comparisons are apt to deceive. Our population has nearly doubled, our wealth has more than doubled, business and the expense of carrying it on in every department of the Government has increased, our pension-roll has grown to $76,000,000 per annum, river and harbor bills carry $14,000,000 annually, and so the aggregate sum necessary to carry on the Government has necessarily increased. But there is one department or arm of the Government that has not grown with the growth of the country, and that is the Navy. Its *personnel* has remained nearly the same.

Let us look at that, comparing two decades. Over the expenditures for the Navy from 1867 to 1876, inclusive, the Republicans had absolute control. Not only had they the executive department which expended the money, but they controlled every Congress during that era. It was the Forty-third—a Republican—Congress which appropriated for 1876. Up to that time the Democratic party was so weak as not even to be a check upon Republican extravagance. But in 1874 the Democrats came into power in the House. Their consent was necessary to the appropriations for the year 1877, and we have had a Democratic House in every Congress since except the Forty-seventh. Let us now compare the two decades:

Year.	Expenditures on account of the Navy.	Year.	Expenditures on account of the Navy.
1867	$31,034,011 04	1877	$14,959,935 36
1868	25,775,502 72	1878	17,365,301 37
1869	20,000,757 97	1879	15,125,126 84
1870	21,780,229 87	1880	13,526,984 74
1871	19,431,027 21	1881	15,683,671 66
1872	21,249,809 99	1882	15,032,046 26
1873	23,526,256 79	1883	15,283,437 17
1874	30,932,587 42	1884	17,292,601 44
1875	21,497,626 27	1885	16,021,079 67
1876	18,963,309 82	1886	15,029,704 95
Total	234,191,119 10	Total	155,319,889 46

The difference in the expenditures during the two decades is $78,871,229.54, enough to build and equip a respectable modern navy.

But, Mr. Speaker, it may be said that this statement is unfair, because in 1867 and 1868 the Navy had not been fully reduced to a peace footing. That is true. In 1867 and 1868 the estimates were for fifteen thousand men.

But the act of June 17, 1868, reduced the number of men to 8,500. It remained at this figure until June, 1876. Then it was reduced to 7,500 men. By the act of May 12, 1879, 750 boys were added, and the number allowed has since remained at 8,250 men and boys. So the difference in the number of sailors to be paid from 1869 onward is so slight that the difference in the expenditures can not be explained by attributing it to this. To make it absolutely clear that the difference results not from the amounts paid to men, or to men and officers, and to exclude every other conclusion except that it resulted from extravagant methods, I will leave out of the calculation the two years 1867 and 1868, and we have the total expenditures for the Navy during eight years, when Democratic influence was not felt in the councils of the Government $177,381,605.34 against $155,319,889.46 expended within ten years after the Democratic party began its policy of reform.

The average annual expenditures during eight years of complete Republican ascendency, from 1869 to 1876 inclusive, was $22,172,625.64, and during the ten years which followed, from 1877 to 1886 inclusive, was $15,531,988.94. In other words, there was a saving in the expenditures of the Navy during each year after the Democrats came into power in the House and exercised partial control over appropriations, averaging $6,640,636.70, thus making a saving during ten years of $66,406,367, enough money to build and equip a respectable modern navy.

To make it still more clear that but very little of this great sum saved could have come from the pay of officers and men, I have had tables prepared showing the amounts actually paid out for this purpose during all these years. Thus it is shown that the average amount annually paid to officers and men of the Navy and to marines during the eight years of complete Republican control was only $380,664.12 annually more than was paid for the same purpose during the ten-year period. Deducting this sum from $6,640,636.70, the annual saving as above, and the amount saved annually remains $6,259,971.58.

The exact figures showing the amounts paid out are as follows:

EIGHT YEARS.

Year.	Pay of the Navy.	Pay of Marine Corps.
1869	$8,525,952 84	$732,562 43
1870	7,854,330 53	674,296 96
1871	7,093,732 00	807,579 03
1872	7,213,133 75	700,000 00
1873	7,093,929 00	678,145 00
1874	7,549,855 94	747,639 00
1875	7,248,996 83	599,279 99
1876	7,077,943 00	598,845 15
Totals	59,667,873 96	5,538,347 56
Yearly average	7,452,234 24	692,043 44

TEN YEARS.

1877	$7,021,758 45	$023,120 30
1878	7,215,082 36	606,917 06
Deficiency 1877	2,574,233 81	
1879	6,868,275 00	614,815 00
1880	6,351,892 21	559,673 35
1881	6,903,581 35	585,610 64
1882	6,771,135 24	590,550 56
1883	6,902,777 87	636,413 18
1884	6,765,523 67	613,777 28
1885	7,249,589 41	602,994 72
1886	6,952,264 28	626,147 94
Totals	71,576,113 65	6,060,020 03
Yearly average	7,157,611 36	606,002 00

This in ten years would amount to more than sixty-two and one-half millions of dollars, enough still to build and equip a respectable modern navy. Where, then, was this extravagance? I have shown it was not money paid out to officers or men in the service. It was perhaps everywhere, in all the branches of the service, but especially in the Bureaus of Construction and Repair and Steam-Engineering.

In the eight years of complete Republican control, eight years during which the Navy was on a peace footing, the total expenditure of the Bureau of Construction and Repair was $30,811,257.67 and of the Bureau of Steam-Engineering $12,776,394.68.

During the ten years after the Democrats came into power in the House the Bureau of Construction and Repair spent $14,316,265.14, and the Bureau of Steam-Engineering $9,785,075.81. I leave out of the calculation all special appropriations made for increase of the Navy during both periods. The tables presented do not, therefore, include the eight steam-vessels ordered in 1873 and built in 1874 of wood, and which have rotted and become worthless, while other nations were build-

ing of iron and steel. As will be seen, all the expenditures for increase of the Navy during both periods are accounted for separately, as I am dealing now only with ordinary expenditures. It will be seen that the average annual expenditure of the Bureau of Construction and Repair under full Republican control was $3,851,407.20. After the Democracy got control of the House the annual expenditure for the same purpose was $1,431,626.51. So the average expenditures by the Bureau of Steam-Engineering during eight years of undisputed Republican control were $1,597,049.33. After the Democracy got control of the House the expenditures by the same bureau were only $978,507.58. The table showing the expenditures in full is as follows:

Year.	Bureau of Construction and Repair.	Bureau of Steam-Engineering.
1869	$4,932,604 55	$1,981,605 19
1870	4,267,888 10	1,085,439 23
1871	4,829,999 80	1,000,000 00
1872	3,489,423 49	1,160,000 00
1873	3,300,000 00	1,650,000 00
1874	a3,499,994 00	2,299,784 00
1875	3,297,708 97	1,799,946 64
1876	3,293,818 76	1,799,619 62
Totals	30,811,257 67	12,776,394 68
Yearly average	3,851,407 20	1,597,049 00
1877	1,750,000 00	942,500 00
1878	1,744,204 29	941,809 42
1879	1,499,515 78	799,744 21
1880	1,485,996 26	1,052,058 93
1881	1,490,117 08	798,740 90
1882	1,298,908 49	1,005,607 02
1883	b1,709,837 39	1,598,352 74
1884	c1,356,139 85	e1,068,551 84
1885	d992,778 08	f894,755 16
1886	988,767 92	682,955 59
Totals	14,316,265 14	9,785,075 81
Yearly average	1,431,626 51	978,507 58

a Construction of steam-vessels, $3,200,000.
b Double-turreted monitors, $395,423.26; c steel cruisers, act of March 3, 1883, $1,300,000.00; d steel cruisers, act of July 7, 1884. $972,209.77—total, $2,667,633.03.
e Machinery for double-turreted monitors, $861,163.63; f steel cruisers' machinery, $626,866.89—total, $1,488,030.52.

I have taken these two bureaus as a sample of Republican maladministration. No illustration could be more apt, for all the world knows that, notwithstanding these extravagant appropriations, the Navy has gradually dwindled into such insignificance that we are unable now to cope with any modern fleet.

Take other bureaus, and we find under Republican control similar extravagance. The Committee on Naval Affairs during the present Congress ascertained that the Bureau of Equipment has on hand, in the language of Commodore Schley, enough canvas "to furnish two suits of sails and a foretop-sail to the whole British navy." Some of this canvas was bought thirteen years ago and now is worthless. The same bureau has on hand spectacle-clews for sails by the ton, and valued at $18,744, enough to last the Government for eighteen years to come.

Then there is the Bureau of Provisions and Clothing. Many of the purchases for this bureau can not be accounted for on any hypothesis consistent with honest and fair dealing. Estimated according to the sales made to sailors last year, there is now on hand a supply of pea-jackets for twenty years, monkey-jackets for five and one-half years, black-cloth trousers for four and one-half years, satinet for three and one-half years, canvas duck for twelve years, caps for four and one-half years, mattress covers for twenty years, and boots for twenty years; but in truth and fact much of this clothing has been on hand so long and has become so worthless that sailors refuse to buy it.

The extravagant policy, long acquiesced in, of keeping in store large supplies of clothing brings loss in two directions, first, from sales of condemned clothing, next from the necessary reductions in price which the Government is compelled to make in order to keep pace with a falling market.

The losses in ten years last past have been—

From sales of condemned clothing	$272,000
From reduction in price	438,000
Total	710,000

The fund on hand, subject to the orders of this Bureau of Provisions and Clothing, was extravagantly large. It seemed to be a standing temptation to fraud. So the present Congress took away and returned into the Treasury $325,000 of this fund. We also provided for the return to the Treasury of the surplus balances on hand to the credit of pay of the Navy and pay of the Marine Corps. At the close of the last fiscal year these sums were, respectively, $576,380.24 and $217,694.24. Thus we have returned to the Treasury of moneys unnecessarily appropriated over a million dollars and provided against a future similar accumulation.

I will not dwell longer on past expenditures, but will close by making brief reference to the appropriations for the Navy at this session of Congress. The total sum included in the annual appropriation for the naval service for the fiscal year ending June 30, 1887, is $12,989,907.20. Subtracting the amount included in the bill for completing and arming certain new vessels ($186,898), we have the sum of $12,801,009.20. This is less than the appropriation for last year, excluding from that also all appropriations toward a new navy, by the sum of $333,695.75; and it is less by $6,162,300.62 than the sum, $18,963,309.82, which was expended during the last year of eight-year period of full Republican control, of which I have given the tables.

This Congress has appropriated toward increasing our Navy, including the $186,898 I have already mentioned, the sum of $3,686,898. Adding that to the amount in the regular bill for the naval service, we have for 1886 the sum of $16,489,907.20 appropriated for all the purposes of the Navy.

Ten years ago annual appropriations made by the Republicans, when undisturbed by Democratic ideas of economy, for the naval service alone amounted to $2,273,402.62 more than this aggregate. In other words, the Republicans spent in 1876 on the naval service alone, not contributing one dollar to increase the Navy, $18,963,309.82. Now, under Cleveland, we support the Navy, contribute more than three and a half millions to build a new navy, and still save over two and one-quarter millions upon Republican expenditures of ten years ago.

These figures, I think, show that Democrats can and will, if permitted, build up our Navy on a less sum than Republicans expended when they allowed it to rot.

Interstate Commerce.

SPEECH

OF

HON. WILLIAM P. HEPBURN,

OF IOWA,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 21, 1886.

The House having under consideration the bill (S. 1532) to regulate commerce—

Mr. HEPBURN said:

Mr. SPEAKER: It is not my purpose to attempt any very extended comparison of the respective merits of these two bills. I wish to urge upon the House such action as will result in some legislation on this question of interstate commerce. It is a question of primary importance. None other within my knowledge is regarded of more importance, at least in the section of country where I reside than that of wisely and justly controlling the railroad corporations. I want to secure some legislation on this subject. I want to secure at least a start in that direction. I am thoroughly satisfied that if the recommendation of the Committee on Commerce of this House be adopted there will be no legislation whatever on this question. They have to-day given us, substantially, the same proposition which they have been urging upon the House year after year; and so far as my knowledge goes, it has never received in the other branch of Congress more than 11 affirmative votes. It is, with slight changes, the Reagan bill of past sessions. It has been repudiated in the Senate upon every occasion when it has been presented; and I do not believe that any of its friends of the House Committee on Commerce have the slightest hope of securing favorable action upon it in that body.

The Cullom bill, for which our Committee on Commerce propose to substistute the Reagan bill, while it is not all that we desire, is certainly a step, and a long step, in the right direction. It will at least secure reasonable charges by the railroad companies and do away with very many evils. I admit that provisions looking to the same end are to be found in the Reagan bill, but the differences in the methods of enforcing the remedies are great. The bill of the House committee simply commends the aggrieved individual to litigation—litigation in the courts, in which all the odds of wealth, experience, and knowledge of the subject-matter involved are against him. Against these odds of wealth, experience, and knowledge he must fight his battle, alone and unaided.

I take it that no legislation is necessary to declare that extortion and overcharges shall not be permitted. Under the common law to-day, a person who suffers by extortion may bring his action in the courts and recover if he can make his proofs.

But the difficulty with him under the Reagan bill is to establish his cause of action. He has the affirmative of the issue, and the burden is upon him to show that a given rate—the one exacted from him—is excessive or extortionate. Under the other bill this is not true. He has a friend at court. It becomes under the Cullom bill the duty of the commission—skilled men, experts on the subject of transportation—to investigate for him and ascertain the very facts, to furnish the very

proofs of all that he may need. They have the broadest range, the amplest facilities, to procure the necessary information. They may resort to and examine all sources of information, and the expenses are paid by the Government. The bill provides that the commission shall have all of these ample opportunities for investigation, and they are required under the law to make their findings of fact; and these findings in the subsequent litigation that may occur are to stand as true *prima facie*. These findings make out the complainant's case for him, shifting the burden of the proof from the weak, where it can not be made, onto the strong. That is on the supposition that the complainant is in the right.

Why, gentlemen, I regard this as a boon of inestimable value in equalizing the possibilities that may result from litigation. To-day if a suitor goes into court and attempts to establish an affirmative proposition against a railroad carrier he finds that the experts, the men who have the information upon the subject, are all of them upon the other side of the question, all of them hostile to his purpose. The great difficulty in the way of the overcharged shipper lies here: Suppose my friend from Nebraska is called as a witness to substantiate the proposition that a given rate is extortionate. He perhaps has much more information than the average suitor on subjects of this kind. He says the given rate in inquiry is extortionate. "How do you know?" is the question submitted upon cross-examination—I am trying to look at this and discuss it as a practical question, as something every man will have to meet under the terms of the Reagan bill—"how do you know that this is extortionate?" Perhaps the very best reason that he could give would be to suggest a comparison between the rate charged and another rate charged by some other corporation.

Well, sir, the attorney would suggest, "What are your means of information? What is your knowledge as to the conditions in the two cases? What do you know of the elements of cost that enter into the thing we call transportation, forty or fifty or sixty distinct elements of cost—the grades here and there, the cost of construction of that road, the cost of this; how much of the time of that is impeded by snows or storms as compared with this; the amount of traffic of the two roads, the cost of fuel?" And so he would go through the whole list of factors that aid in making the total of expense in moving freights.

The gentleman would undoubtedly be compelled to say, unless his information is more ample and his knowledge much greater than that of the average citizen, that he was unable to answer these questions. His evidence would have absolutely no weight, because not based on knowledge of the subject-matter, and the suit would fail. Hence it is a mere mockery to a man to say he shall have his right of action; it is a mere mockery to say that the railroad corporations shall not impose upon him when you give him no means to make good his assertion that they have imposed upon him. It is not enough to give him a right of action. If you intend to give him anything of value give him such a remedy as will enable him to assert and maintain his rights in the courts, if the corporation that has wronged him will not obey the findings and order of the commission and compel him to go to the courts for relief.

[Here the hammer fell.]

Mr. O'NEILL, of Pennsylvania. I yield to the gentleman the remainder of my time.

Mr. HEPBURN. The Cullom bill gives the facilities and furnishes the aids. Now, gentlemen, we can secure the advantages which are demanded if we refuse to vote for the adoption of the amendment and let the question come before the House as to whether we will have legislation upon this vital question, or whether, through an adherence to the report of the Committee on Commerce, we will suspend action between the two Houses and remain in precisely the same condition we have been in for all time past.

If it were not for the known and well-known opinions and integrity of the gentlemen who are urging the adoption of the Reagan bill, we might almost suspect that they were the men who wanted no action at all; that they are pursuing a course they know will leave the corporations of the country absolutely untrammeled, and furnish the people no relief whatever.

Mr. REAGAN. I desire to ask the gentleman a question. I wish to ask the gentleman from Iowa how he gets the information that the Senate is so firmly fixed in its opinion that there is no compromise possible?

Mr. HEPBURN. I judge from the action of the Senate heretofore. The bill of the gentleman was before the Senate at the last session. It received merely 11 votes and no more. The gentleman knows the facts as well as I. The Cullom bill passed the Senate by a vote of 42 to 2, I believe.

Mr. REAGAN. I do not know that.

Mr. HEPBURN. Then the gentleman is not so familiar with the subject as I had supposed.

Mr. REAGAN. The gentleman is not authorized to speak for the Senate, or say that it will not agree to a compromise.

Mr. HEPBURN. I am only speaking from sources which are open to the gentleman in common with myself.

Mr. O'NEILL, of Pennsylvania. I gave the balance of my time to the gentleman from Iowa.

The SPEAKER. The gentleman's time had expired.

Mr. O'NEILL, of Pennsylvania. I think not, Mr. Speaker, until 5 o'clock.

The SPEAKER. But the gentleman had occupied an hour. The Chair was not aware of the fact that he had more time than that.

Mr. McMILLIN. Mr. Speaker, having been in the chair at the time, I will state that the gentleman's hour expired at five minutes before 5 o'clock, but he was entitled to an hour and five minutes, as the Chair understood.

The SPEAKER. Then the gentleman from Iowa will proceed until 5 o'clock.

Mr. HEPBURN. I will reserve the remaining five minutes until the evening session.

* * * * * * *

Mr. HEPBURN. Mr. Speaker, I sympathize with the gentleman from Virginia [Mr. O'FERRALL] in his very laudable desire to place new laurels upon the brow of the gentleman from Texas [Mr. REAGAN], and to enhance so far as he may the value of the distinguished service which that gentleman has rendered to this Government. I sympathize with him, too, in the hope he has expressed as to the results the great Democratic party is to accomplish in its new mission and with its new lease of power. Yet I am constrained to express the fear, judging from what we have up to this time witnessed, that all of his blissful anticipations as to the performances of that organization are not to be realized. I believe that up to this time he could count on the fingers of his right hand, even if he had lost four-fifths of his fingers [laughter], all that that party in a year and a half has accomplished in the direction of performance of the extraordinary promises that it made before it obtained its present lease of power.

I would have been glad if the gentleman, instead of giving us the essay, estimable as it is, upon the general subject of transportation and the glories of the Democratic party, which he has just delivered, had met the requirements of the majority of his committee in view of the legislation they propose. There came to this House and was referred to his committee a proposition under and by which it was believed that control of the railroads would be possible. That proposition had received the attention and careful consideration of the other branch of the national Legislature for many months. It was the result of a carefully considered examination of this vexed subject. The Senate Commerce Committee, which framed it, had called many witnesses, had carefully examined them, was familiar with the views of all the railroad experts of the country upon this great question. The committee of the Senate appointed at a previous session had visited all parts of the United States; had invited all classes of persons interested in transportation to appear before it and express their views, to state their grievances, and to suggest remedies.

Shippers and carriers, boards of trade, and chambers of commerce in great numbers and in all parts of the country—East, West, North, and South—had availed themselves of this opportunity, and the committee had in this way collected a vast fund of valuable information bearing upon the subject, which as a public document has been published in two large volumes, and is a valuable contribution to the fund of information on the carrying trade of the country; and, as a result of all its investigations and all its efforts, had crystallized certain provisions into a proposed law passed by the Senate and sent to the House. The Committee of Commerce of the House, of which the gentleman is a member, now proposes at once to wipe out all that has been done in this direction, to do away with it instanter, and to give us something radically different in its place. It seems to me that it would have been wise for the gentleman who proposes this substitute for the Senate bill, wise for all the gentlemen upon the majority side of that committee, to have given some reason why it is better that we should not now, on this very day, secure legislation that so many of us want, by adopting the bill of the Senate. That ends the matter. That gives the people immediate relief. The passage of the substitute gives us nothing but a disagreement between the two Houses—no legislation.

Mr. O'FERRALL. Will the gentleman allow me to ask him a question?

Mr. HEPBURN. Yes, sir.

Mr. O'FERRALL. Are we legislating here for the people or for the Senate?

Mr. HEPBURN. We are legislating here for the people, but we can not legislate for the people without the aid of the Senate. It requires the concurrence of the two Houses in the same bill to enact law. The gentleman has seen fit to tell us of some of the propositions contained in the substitute he advocates, yet he has failed to tell us that every provision that he has alluded to is contained in the original Senate bill for which he proposes to substitute another—every one of them, save one; and I think I can show before I get through that the remark applies in a degree to every one of them.

My friend calls my attention to the pooling. I want to call the attention of the gentleman who may conclude this debate to this marked fact—that pooling is not prohibited in the substitute; it is only the money pool that is prohibited. Pooling can go on just as it exists to-day so far as combination is concerned, so far as private arrangement is concerned. All that the bill proposes is to prohibit the money pool,

and to say that after the combination has been made the members of that combination shall not divide the profits which may result from it.

The gentleman has called attention to the fact that the bill which he advocates provides that no discrimination in rates shall occur. Has he not found in the Senate bill, which he undertakes to ignore, precisely the same provision? The Cullom bill, the Senate bill, prohibits all discriminations.

The gentleman says that in his measure there is a provision, which he extols as though it were a new discovery, requiring all rates to be reasonable. But a similar requirement is in the other bill. All rates shall be reasonable in the language of the Senate bill.

Further, he says that all shall have the same facilities, the rich and the poor; that there shall be no classes; that here it shall not be held that one class or one locality shall have, either in the facilities for shipment or in rates, an advantage which is denied to another. The same provision is to be found in the bill of the Senate.

"Shipments shall be continuous." That is simply copied from the Senate bill, in which everything relating to the continuousness of shipments found in the substitute is to be found in the original.

Mr. REAGAN. In that respect the Senate bill is copied from the House bill.

Mr. HEPBURN. "No pooling of earnings," says the gentleman from Virginia. I have already spoken of that.

"There shall be no rebate, no drawback, and no undue advantage," says the gentleman. But he will find precisely the same provision in the bill which he so seriously contemns.

"Schedules shall be published and schedules shall be permanent." There is the same provision in the Senate bill. If there is any difference, the difference in my humble judgment is in favor of the bill which the gentleman does not esteem.

"There shall be no greater charge for a shorter haul than for a longer one." This has been at all times the especial pet measure of the gentleman who drafted this bill. No matter what other changes he has made during the eleven years that he has been unsuccessfully advocating his measure he has clung tenaciously, with the utmost of affection, to this particular provision. Does not the gentleman find that provision word for word in the Senate bill? The author of this substitute lives near the seaboard. There might be an advantage secured by his constituents by the adoption of this provision, but it would be procured at the expense of those who live at a great distance from the seaports.

But the Senate bill contains this with another wise provision. It is known, Mr. Speaker—I think no one will deny it—that the fourth section of the substitute would operate most harmfully against large classes of shippers.

There are localities, notably the city of Chicago, where because of an extraordinary west-bound traffic a large number of cars every week would have to pass back empty, increasing the cost of all the traffic on the seven great trunk line roads, if the carriers were not permitted to fill those cars at rates to meet the competition of the water route, by the extraordinarily low charges which shippers from that point get. Twenty-two thousand tons was the amount of east-bound rail freight from the city of Chicago, which by reason of these low rates was able to compete with the water route from Chicago to New York the week before last—22,000 tons—more than a thousand car-loads, and the shipments by rail have in some months reached the enormous proportions of 235,000 tons in a single month. Now, suppose the provisions of the Reagan bill should become the law of the land, suppose a company could charge no less rate from its western terminus than from intermediate points, what would be the result? The gentleman would assume, and would argue, that necessarily the rates to intermediate points would be lowered to correspond with the low rate from Chicago. But that would not be the case.

The companies must necessarily raise the terminal rate—the Chicago rate—and lose all of that traffic. They would lose it because the increased rate would be greater than the water rate. As it is to-day, it may not pay the actual cost of transportation; but it pays something more than the cost of hauling the cars that would be hauled back empty but for it; in many instances it barely pays for carrying back the empty cars. But that is an advantage to the intermediate shipper. There is a certain sum which must be raised by the carrier, the sum that will cover the fixed charges upon the road and that will pay the operating expenses. Shippers have to pay for this. If no portion of this can be earned from the terminal station it is absolutely necessary that the intermediate station shall pay it. All classes are benefited by a provision which allows the carrier to charge this less rate in instances of this character. By the Reagan bill the carrier is not permitted to do this. By the Senate bill, while it contains precisely the same provision as the Reagan bill, the commission is permitted in cases of this kind to suspend the operation of the fourth section and give to the Western shipper the benefit of the low rate given by the roads that are brought in competition with water rates.

"Ah," says the gentleman, "you are opening the door to all kinds of fraud and all kinds of black-mail." Mr. Speaker, is it not possible for the present Executive of the United States to find within all the borders of the land among the 12,000,000 of voters of this country five men who can and will honestly administer this law? It seems to me that those gentlemen who say "no" are disposed to put a stigma upon their species which I at least am not willing to indorse. I am fully persuaded that the present Executive, that any President we have ever had, could and would select from the citizens of this land five men who could and would faithfully and honestly administer this law, and in cases where they were satisfied it was necessary to suspend the operation of this section, could safely be permitted to use their power to suspend it and give to localities situated as is the city of Chicago (which I use for example), and the people farther away from the seaboard, to which all of their products are ultimately sent, the right to secure these lower rates that now come from the competition with the water routes.

The gentleman tells us further that "all prohibited acts are declared to be unlawful and made criminal." Why, sir, that is a provision of the other bill. So it is with the next suggestion which he makes, that where recoveries are had under the bill which he advocates the attorney's fee shall be charged among the costs. That is one of the provisions of the Senate bill. He further urges that books are required to be produced and officers and employés required to testify. That is also a provision of the other bill. "Persons doing prohibited acts are guilty of misdemeanor." That is also a provision of the other bill. But the penalties under the Senate bill are more rigorous than under the bill which the gentleman advocates.

Thus, Mr. Chairman, all the provisions which the gentleman so earnestly extols in the substitute he advocates are to be found among the provisions of the bill which he declares to be utterly worthless, which he condemns and contemns with all the severity of denunciation and rhetoric.

But, Mr. Speaker, there are some provisions of great importance in my judgment to be found in the original bill which are not to be found in the substitute.

The gentleman went through with the entire schedule of virtues to be found in his bill. He did not advert to any of those provisions, which are remedial in their nature and wonderfully beneficial to be found in the Senate bill that are not in the Reagan bill.

Under the provisions of the Senate bill the circuit courts of the country are always to be open for the hearing of cases growing out of this statute. Under the provisions of that bill the equity side of the court is appealed to, the cumbersome system of equity pleading is abandoned, and the fact statement, the informal pleading, is the system adopted.

Again, cases arising under the Senate bill are to be heard *instanter*. There are to be none of the law's delays. Again, under the provisions of the bill which the gentleman prefers the suitor has no new remedy whatever. He must appeal to the courts, as he does in any other litigation.

The gentleman is not willing to trust to a commission. There is not virtue among all our citizenship to meet the emergency of furnishing relief under a commission system. But he is compelled under his own bill to resort to the aid of some class of men. He must rely on human agency after all.

Courts can be corrupt, the gentleman need not be reminded, as well as commissioners; and here to possibly a corrupt court—there are few of them, but there may be some under the gentleman's bill—the suitor is remanded. He is remanded to it without any aid from any law other than that to-day possessed by all suitors. He stands there alone, weak and poor and ignorant though he may be, with a ten-dollar case or a one-hundred-dollar case. He must make his own case against a wealthy corporation. He must do that, too, without technical knowledge of the matters litigated. He has no witnesses who are better informed than himself. The witnesses which must establish his case are the experts that belong to the other side of the question. The employés of the carrier are the only experts he can secure.

Under the Senate bill the law mercifully provides him with his witnesses. That gives to him where he makes his complaint the aid of the commission. It becomes their duty at once to investigate. They may send for persons and for papers. They may resort to the books of the corporation. They can compel the attendance of the employés as experts, and the members of the commission will soon be experts themselves; and from the mass of testimony they make up a finding which becomes in the future litigation one of the records of the court and stands there *prima facie* as true, throwing the burden of proof upon the corporation.

The gentleman proposes in his love for the poor man, in his desire to secure him redress, to take that from him, and to leave him without assistance save that which nature has given to him.

The SPEAKER *pro tempore*. The gentleman's time has expired.

Mr. DUNHAM. I will yield the gentleman five minutes of my time.

Mr. HEPBURN. Mr. Speaker, I have five minutes of my own time coming over from the afternoon session.

The SPEAKER *pro tempore*. The gentleman will proceed.

Mr. HEPBURN. Under the bill, which the gentleman seems to think is entirely without fault, there is no provision investing these courts with the power to punish disobedience as contempt.

Under the procedure authorized by the Senate bill that corporation found to be in the wrong may be compelled by the order of the court

to extend redress, but if there is failure, then the strong arm of the law, the whole power of the Government, compels obedience to the mandate of the court.

Under the provisions of the substitute it is a strong corporation against a weak suitor. In the other it is the majesty of the Government against a creature which it has created.

Mr. Speaker, it has been suggested that a commission of five would be entirely inadequate to transact the immense business that would come before it. Suppose this is true—I do not believe it would be found to be true—but should it be, the shipper would have, without the aid of the commission, all of the remedies, under the Senate bill, that he could have under the substitute. The man aggrieved is not compelled to resort to the commission. He may proceed at once to invoke the aid of the courts. He may bring his suit precisely as he must do under the substitute. All of the aids given him by the commission are in addition to those of the substitute, and in addition to the court remedies also provided for by the Senate bill.

But there is another marked difference between the remedies provided for by the two bills. All actions under the Reagan bill are private actions, and bind only the parties to the suit. The suit of A against a carrier affects in its results only the parties. Suppose that at a given point a carrier pursues a course that harms all the shippers at that point, to protect themselves each one must resort to litigation. This is not the case under the Senate bill. Under its provisions the commission would investigate the grievance and make its order, which would be general and apply to all cases, which, if not promptly obeyed, would impose upon it the duty of procuring the writ of injunction or mandamus of the proper court, compelling the righting of many wrongs at once. The Reagan bill operates upon individual cases; the Senate bill operates upon groups of cases. Under the latter many cases are disposed of at once that under the other would be separated into many actions. The Senate bill is the measure for the people; the Reagan bill is the measure for the lawyers, whose interest it would be to fill the dockets of the courts and multiply indefinitely the litigation of the country.

Another marked difference between these measures is this: The Reagan bill does not pretend to give any relief or remedy against extortionate passenger charges. The Cullom bill includes them within its ample provisions. Just why the gentleman from Texas should ignore complaints of this kind I do not know. Fortunately the Senate bill is not silent on the subject. And as these passenger charges constitute nearly one-fourth of the earnings of the carriers, and as they are often extravagantly high, it seems to me the subject was one worthy of the attention of the House Committee on Commerce, and worthy of our earnest consideration.

The gentleman is anxious for legislation. I have no doubt that is true, but if he is, I beseech him to abandon the substitute he now favors and aid us in securing this Senate bill. It is practical, and it is possible we can secure the redress we need simply by the abandonment of his favorite idea of "crowning the gentleman from Texas with new laurels and showering new honors upon his worthy head" and voting for the bill that has already passed one House and needs only our sanction to become law. If we will agree to the Senate bill we can have this needed legislation before the end of this week. I urge gentlemen to enable us now to accomplish this great good.

If he will simply abandon his bill that has never received favor in the Senate and devote himself to those measures that are attainable, practical, we can have before the week closes an enactment which, if it is not perfect in itself, is so far beyond the present status that it will be a relief to the great majority of cases.

The gentleman says the commission system is not in good repute. I think he is mistaken in that statement. So far as my own experience goes (and of course it can apply only to State commissions, to such as can be controlled by the States), where there are commissions they have resulted most beneficially to the people in respect to all State traffic.

In the State in which I live, among all of the grievances which have been submitted, among all of the cases called to the adjudication of the commission, there has been but one solitary case, according to the last report of that commission, where the railroad company has not yielded to the moral power and influences brought to bear upon them through the action of this commission.

I know that litigation between the people and the corporations has wonderfully decreased. While a few years ago our courts were thronged and glutted with this kind of litigation, it is now seldom that disputes between the shipper and the carrier are carried to the courts, so far, I mean, as they involve simply questions of State commerce and are within the jurisdiction of the commission. They settle them; and in my humble judgment they would be settled in this broader field of interstate commerce if we had that class of commission or if jurisdiction over that class of cases was conferred upon a commission concurrent with the courts.

Mr. Speaker, I am a friend of the Cullom bill. I want to see it passed. I am acting not only in obedience to the declared will of my State, instructing its Senators and requesting its Representatives to vote for that bill, and of my party, which at its last State convention declared in favor of this system, but I am acting in harmony with the dictates of my own judgment in the premises. I believe it will produce relief. I believe it will settle these vexed questions. I believe we will hear no more of the extortions of corporations; that the extortions will cease to exist under the beneficent influences of this beneficent law, and therefore I am heartily and thoroughly in favor of its adoption.

Interstate Commerce.

SPEECH

OF

HON. RANSOM W. DUNHAM,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, July 21, 1886.

The House having under consideration the bill (S. 1532) to regulate commerce—

Mr. DUNHAM said:

Mr. SPEAKER: The object of all legislation is to accomplish some good, either to government or people. I think it will be admitted that legislation which benefits neither is no good and it would be better to avoid it. Beyond doubt legislation that results in injury to great interests is unwise. An exception to this rule may be allowed if the people derive a benefit that does not stop with temporary gain, but if the final result is a disadvantage, then it were better never to have been done.

Dangers beset the pathway when prejudice or imaginary grievances stand as guideboards to action. The crooked road of blind passion is not the straight, smooth highway that true statesmanship seeks to tread.

The bill now under consideration proposes to deal with the largest single interest in this country, to control and regulate its business. The railroads of the United States represent some $7,000,000,000 in capital, cover 130,000 miles of track, and give employment to nearly one million men, and directly give support to at least five millions of people. Should the result of our action prove ruinous to this immense interest the people, who will finally become the real sufferers, will justly hold us responsible.

No one will attempt to deny but what unrestrained license has been injudiciously taken advantage of by railroad corporations until public sentiment has demanded a correction of evils.

An admission of this fact must be accompanied with the statement that corrections have been largely made, in some sections in obedience to positive law, in others by advice and recommendation of commissions, and in others by the law of necessity known as competition. Positive law in many cases has reduced rates of freight and passenger tariffs, but competitive necessity has carried the figures lower than any legislative body ever dared to positively demand.

Now comes the question, how shall evils still existing be reached? Shall it be done moderately, in a spirit of fairness, within the bounds of reason, or shall severe and stringent measures be taken, such as can only ruin and leave desolation to follow?

Any real friend to the people, any true believer in doing the greatest good to the greatest number, will promptly say a cautious movement is the best. To creep before you attempt to walk is natural, and if you attempt to overreach nature you will certainly fall.

General and not individual interests or benefits must be looked to. Whole communities or States or several States, and not localities, justly claim the greatest consideration. True, a proper regard for the rights of all earnestly prescribes that all shall be treated as nearly alike as possible, but the rule of law is as old as the centuries that what benefits the public must control against private interests.

Legislation on the subject of commerce between the States claims the attention of Congress. All know it is a difficult subject to handle. The conflicting interests of capital and labor; the question of how far legislation can go against corporations; to what extent they can be regulated and yet not interfere with the demands of the people, not ruin the wages that go to the thousands of employés. These considerations claim our careful attention. I do not believe we should treat a great business subject like this under a spirit of party politics, or allow our action to be controlled by hopes or fears as to how many votes it will make or lose. That corporations have no souls has repeatedly been proven to be correct; that legislative bodies have often met them on their very ground and in their action cut to the quick does not admit of argument.

The gentleman from Texas [Mr. REAGAN] is the father of a proposed act to regulate and control interstate commerce, so far as it is carried on by railroads. In my judgment the bill in its present form is un-

wise, uncalled for, unjust, and if ever enacted into law is so proscriptive in its terms that it will defeat itself, at the same time it may work ruin to the great interests it seeks to control, and in the end cause troubles innumerable, such as vexatious and expensive law suits, delays to business, practical ruin to the capital invested, discourage the building of new lines, thereby hindering and checking the growth of new communities, and what is more important at this time than all other points its certainty of interfering with the rights of labor. The terms of the bill are arbitrary and not flexible as ought to be the case. It is particularly objectionable in that no authority is given to any officer or board to meet the varied questions as they arise and decide them in a spirit of fairness and justice to all concerned. Our best authorities universally agree that commissions are the best remedies thus far produced, and in all the States that have adopted them not one has failed to work admirably, and in scarcely a case have they failed to equitably adjust and satisfactorily settle all differences.

The interests of railroads and the people are so closely blended that the necessities of both are supplied from each other, but in case of disputes arising a prompt and equitable settlement is advisable and desirable for both. Now, admitting this, what better mode can there be for regulating interstate commerce than by means of a board of commissioners?

The bill under consideration ignores all chance for fair adjustments, and proceeds upon the theory that iron-clad law is the best. A great railroad is nothing more than an immense commercial house. Certain rules for manner of conducting the business and government of employés are necessary, but danger of disaster might lie in the path should they be so firmly bound as to be unable to follow the laws of trade.

One of the difficulties in the way of Congressional legislation on this subject is the fact that any United States law can only affect property passing from one State to another; therefore many roads must necessarily be wholly exempt, and in that way may make rates which may prove ruinous to others. The Reagan bill does not establish rates directly, but in its terms so controls them that perhaps their position would be no worse if it absolutely and arbitrarily did make them. Section 4 refers to what is commonly known as the short and long haul, and prohibits the charging more for the former than the latter. This subject is the one that creates more discussion, more complaint, than any other, and yet is less understood than any one of the various railroad problems.

The natural tendency of every one is to condemn the practice, and the general public, not being familiar with all the items that go to make up the business and plans of a railroad company, jump at conclusions, saying it stands to reason it must be wrong. A wise legislator will examine carefully his footing, and doing this he must admit that men who have spent their lives in the transportation business, men who have studied the question in all its forms, looked at it in every direction and from every standpoint, surely ought to know more about it than the mere theorist. Who would think of engaging a blacksmith to handle the delicate mechanism of a watch? Who would employ a chimney sweeper to clean the walls of an elegant mansion? What manufacturer would place his machinery in charge of a house carpenter? What great mercantile house would place its business in the hands of a contracting mason? Where is the legislator so wise in his own conceit as to deny the conclusions of practical railroad experts?

Let us suppose a few cases where the prohibition of short-haul charges may work an admitted injury. For instance, the rate of freight from Boston to San Francisco is $1 per 100 pounds, and this is divided among six railroads in certain proportions to each. Suppose the Lake Shore road, running from Buffalo to Chicago, through a part of six States, receives for its proportion of the work 15 cents per 100 pounds; under the terms of this Reagan bill it is prohibited from collecting more than that rate on all similar freight shipped over its line, either between its extreme terminal stations, or from any one station to another on any part of its line. This, also, applies to all the other roads that form a part of the contracting line from the Atlantic to the Pacific Oceans. In other words, Boston being a competing point for various lines of roads to the Pacific coast, and also with water communication claiming a share of business, rates for through freights made from that city must be no less in proportion than from one small inland point to another.

Again: suppose, as is often the case, the rate of freight from Chicago to New York via Jersey City is 15 cents per hundred pounds, shipped by railroad through seven States, must every interior non-competing point have the same? Has Chicago, that has water communication all the way to New York, no advantage over the non-competing interior places? Can not a railroad company be allowed to make a low rate that will enable it to compete with the water route without being compelled to do the same for every other point that has no water advantages, and whose business compares with Chicago as a bucket of water to the great ocean?

Shall a railroad running from Chicago, obliged to compete at that point with several other roads, all anxious for business, be tied down at all its non-competing stations to accept rates forced frequently by ruinous competition? Why should Kansas City, Omaha, Minneapolis, Cincinnati, Indianapolis, Saint Louis, great Western cities of trade and transportation, favored by nature in location, and, like Chicago, covered with a network of railroads reaching out in every direction, be placed on an equal footing with intermediate stations?

Some may claim that local points east of Chicago are entitled to same rates to local stations west of great Eastern cities like Baltimore, Philadelphia, New York, and Boston as are allowed between Chicago and the Eastern cities just named. There is no denying it does look so to the superficial observer. But let us examine the question. Chances are an empty car must have been hauled to the western point and that it must after discharging be hauled to the eastern terminal. Railroad experts say there is more work in this than through hauling. Facilities for loading and unloading at the interior points rarely equal the extreme stations. Neither the shipping nor discharging point has any competition, and probably the road is getting no more than fair compensation which may be necessary to in a measure regain what it has lost by the competition of water and other roads. This brings forward the question why the country should apparently be at a disadvantage over the city terminal point. The reply is, it has always been so, and is due to necessity and not always to justice.

Now, let us look at another view of the case—the standpoint of a manufacturing concern—the difference between two companies in the same business, one located in a large city, the other in a country town; one pays perhaps $250 per front foot for land whereon to erect its buildings, the other pays $250 per acre; one pays enormous city taxes, the other very little; high city rents and prices for provisions force one to pay its employés much more than the other; both of these concerns sell their product perhaps in the same sections; the city goods must go by rail directly through the town occupied by the other. The question arises, how is the city company to compete? How can it be done except by the railroad company charging more for the short than for the long haul, and thus enabling both to lay down their goods at a given distance at precisely the same cost? Locate New York as the city and 50 miles in the interior of New Jersey as the country, with Virginia and other Southern States as their market. The Pennsylvania road must give the New York dealer lower rates or he must close up his business. Unless the Pennsylvania road does charge the New York manufacturer less than the Jerseyman, then it certainly discriminates in favor of New Jersey.

Mr. REAGAN. May I ask the gentleman a question?

Mr. DUNHAM. Certainly.

Mr. REAGAN. Is it your conception that it is any part of the business of the railroads to equalize the profits of private parties by decreasing the profits of one and enlarging those of another?

Mr. DUNHAM. I will say in response that it may not be a part of the business of the railroads. I am willing to concede that it is not; but it is a necessity at times to communities; and I understand, and in fact it is claimed, that the railroads are run for the benefit of the people. If it is necessary for the benefit of a community to place that community, in reference to freight rates, at any time equal to another community, then the railroad company may do so by making a concession to one so as to enable it to compete with the other.

Mr. REAGAN. Does my friend think that a State government or the United States Government would dare to do such a thing as that?

Mr. DUNHAM. I do not know that they would. I do not think it is the business of States; but it is probably the business of railroads, for two objects; one to make money for their stockholders, the other for the people.

Mr. O'NEILL, of Pennsylvania. Does not my colleague from Illinois understand that the railroads in that part of the country represented by the chairman of the Committee on Commerce, generally have been failures? They pay neither interest on their bonds nor dividends on their stock; and he speaks from the standpoint of broken-down railroads.

Mr. REAGAN. No; I do not speak from that standpoint. I will take any road; take the Pennsylvania road, for example, if you call that a broken-down road.

Mr. O'NEILL, of Pennsylvania. No, sir, I do not; but I speak of the general experience of the gentleman from Texas in reference to railroads.

Mr. REAGAN. The gentleman misapprehends the position I take.

Mr. DUNHAM. And not only is it for the benefit of the railroads to make these concessions to the towns or to manufacturing concerns, but it is for the benefit of the people, and the railroads and the people belong together, their interests harmonize. If the people crush out the railroads they crush out themselves. If the people by a series of obnoxious measures of legislation or of injurious legislation compel the railroads to do business at a rate that is ruinous to them they might as well close out their own business, because a railroad company is like a mercantile establishment; if it constantly loses money it goes to the wall. If a railroad company constantly loses money they go into the hands of a receiver, wiping out the stock; in fact they fail. Now, it is for the interest of the railroads to help the towns through which they run; and if the city of New York needs a rate lower to Virginia, North Carolina, or Texas, owing to the increased cost of manufacturing business in that city over a town 50 or 100 miles in the interior, it certainly is for the benefit of the people of New York that they should have that rate, and it is no injury to the town 50 or 100 miles away, especially

as they both sell their manufactured goods 500 miles off at the same price.

The Reagan bill prohibits what is proper and legitimate in such a case as this, and yet it inconsistently says, "all charges for such services shall be reasonable."

Now, we will turn in another direction. Millions of bushels of grain arrive at the port of Buffalo each year via the lakes from the West. There are several ways of getting this grain to New York—one all water, one all rail; other, part rail and part water. The New York Central road is wholly within the State of New York. If it carries any of this grain it must compete with the Erie Canal which last year carried millions of bushels of grain at under 5 cents per bushel. It can do this, has done it in the past, will do it in the future; and yet from Buffalo to interior points it charged and collected a higher rate than 5 cents and also a higher rate from interior points to New York.

Can the Erie, West Shore, and other roads that reach New York by going through another State compete, under this Reagan bill, with the New York Central? You may say they can, but if they take grain for one person from Buffalo to New York, then they must do it from Buffalo to all points and from all points to New York at the same rate. In other words, severe United States law forces several roads toward bankruptcy, while another with no better facilities bears off the palm, collects the profits, and does all the business. How much better would it be to have a railroad board of commissioners that could adjudicate promptly upon such cases and place such parallel roads on equal terms. Here is a discrimination, or rather here is proposed to be a discrimination, in favor of the New York Central Railroad upheld and supported by law.

The scales of justice will never balance under such weights as this. Under this short-haul prohibition section railroads that now make through rates up and down the Atlantic coast from Maine to Texas must retire from the business, for they surely can not afford to do local work at prices they must concede in order to compete with the ocean steamers. Must the lines of railroad that take cotton and sugar from New Orleans or other Southern and Western cities to Pittsburgh, thence on to Philadelphia and New England, making rates that compete with the Mississippi and Ohio Rivers, be compelled to do all their local business at the same rate? Shall the great Southern ports, like New Orleans, Mobile, and Galveston, blessed by nature with extra means of communication, have no advantages over interior towns?

I say to you your theory of anti-short haul is wrong; that your idea is nothing but a theory; it is based purely on an imaginary grievance. Enforce this principle and the immense through business from extreme Western points to Eastern cities will surely cease. More than half the time through contracts are made at bare cost and frequently for much less. The roads can not afford to and will not do the local traffic at prices forced by ruinous competition.

Pass this bill and the Western roads can only haul their freight to the lake and river cities during the season of navigation. When ice-bound winter settles upon the water ways the West must keep its products, and the East failing to accumulate in the fall must go without. Adopt such a measure as this and you turn back the car of progress twenty-five years.

Argue, if you please, that local points between Chicago and Saint Louis and the seaboard are entitled to the same rates or even the same proportionate rates—you must concede that the great country west of the lakes and Mississippi River is the gainer by the low rates made by railroads to the Atlantic coast. Between Chicago and the seaboard lie great commonwealths, great cities that enable the agriculturist to obtain prices that approach at least fair remuneration for their labors. Through rates by railroads tend to bring remote sections of one common country on to a par with others. What matters it to the consumer of breadstuffs in New York whether they come from Ohio or Iowa, Dakota, and Nebraska? What matters it to him whether one shipping point pays more or less than another? It so happens that the great consuming part of this country is east of the Alleghanies. What they want is cheap food, and they have no more partiality for Ohio than for Nebraska.

What the great producing States and people want is cheap freights and rapid transit, and any interference by legislation that will eventually become a stumbling-block on their road to wealth will not be allowed to stand. The great law of competition briefly mentioned in the first part of my remarks has so far worked wonders in favor of both sections and drawn each, financially, commercially, and agriculturally, much nearer together; and more than likely they are both better off to-day than they would have been had the Reagan proposition been law many years ago.

Now, having considered the short-haul subject, let us look a little at another one of the prohibitions of this Reagan scheme. I refer to rebates or drawbacks, and while it would be well to prohibit in certain cases, I think it would not be in all. For the same kind of service and from and to same points rebates should not be given to one shipper over another. For instance, through shipments from West to East or East to West should be equal; no advantage should be given to the exclusive gain or benefit of one shipper and some other one left out in the cold. Suppose it could be demonstrated to a board of commissioners, if such were established, that in certain cases rebates should be allowed, might it not also be proven that the allowance was just, proper, and for general benefit? The Reagan bill says positively it shall not be done. No matter how plain figures may demonstrate its fairness, an iron-clad law stands, like a solid wall, face up against honest competition.

We all know the differences that have existed among the great trunk lines as to rates from the West to Philadelphia, New York, and Boston—differential rates. New York and Philadelphia terminal roads have long practically quarreled upon this subject. One demanded a concession, the other refused; result, cuts, private running of each other, unsettling of prices, uncertainty, doubt in commercial circles. Suppose, now, the rate on grain from Chicago to New York be 25 cents per hundred pounds, and to Boston 30 cents. Both are seaboard points; both have ocean connections to Europe, and universally the rates by water are the same. Under this difference of 5 cents in favor of New York will the Chicago shipper send anything via Boston? You may say the ocean carrier must get less from Boston than from New York. When he is carrying grain from New York to Liverpool for rates from 2 cents per bushel down to ballast, how much less must he accept from Boston?

That argument must drop from its own weight. Why should the Boston rate be 5 cents over the New York rate? First, because New York and Philadelphia terminal roads demand it. Second, because Boston roads claim it from the additional distance. Third, because less competition enables them to obtain it. Fourth, because materially less business warrants it. Now, how is the Boston exporter to compete with New York? Simply by the railroad company saying to the exporter, "If you put this grain on board a vessel and ship it to Europe we will rebate you 5 cents per 100 pounds on your rail freight." Who has lost anything by this rebate? Who would lose if this rebate was not made? First, the Boston railroad would not have the business at all; second, the workman who handled the property in Boston would look elsewhere for his labor; third, Boston as a terminal point would suffer because of advantage given to another. Who would gain in this transaction? New York railroads would get all the haul, New York laborers get the handling, and New York elevators the transfer charges.

In this case what harm is a rebate? Why is it not a positive benefit to Boston? The Reagan bill will not allow this. A railroad commission would, and justly so, too. Give authority to a board to study the whole situation, ascertain all the facts, their bearing on the interests of different cities, needs of the nation in general, natural laws of trade and commerce, facilities requisite to successfully compete in a lawful way with others, and they can readily decide what is fair between all. In such a case as I have instanced a denial of rebates places one great city at a disadvantage compared with another and restricts men to certain routes. It would in fact be a discrimination. The Reagan bill is so straight in such a matter as this as to fall over backward. The phrase is old and homely, but goes to the root of the situation, shows its iron-clad rule and the usual result of overdoing.

The Reagan bill allows no rebates whatever—the commission might allow them, but not to one man more than to another. In so far as either bill prohibits special privileges to any one shipper more than to all, it meets an universal demand for proper legislation that shall prevent what is usually called unjust discrimination.

I might continue this subject and present other cases justifying rebates—giving additional emphasis to my position—but their general nature would be the same. I believe it can be asserted without fear of successful contradiction that rebates on freights are at times necessary to bring business—that by them no harm is done; further failure to allow them would work injury in some quarters. The more we export of our products the better is our financial condition. No one ought to complain if our railroads encourage shippers by giving them facilities such as they need. Other countries are now so strongly competing with us that it requires the closest possible figuring to place our goods in the markets of the purchasing nations.

Right here may be given a business transaction only a few weeks old, perhaps bearing more on the "long and short haul" question than on "rebates."

A New York exporter presented to certain railroad freight agents the price at which he could sell a certain quantity of wheat in London—the expenses of shipment aside from freight—the cost of the wheat on board the cars in Chicago, and allowing for himself the smallest kind of commission, and proving that the business could be done by their giving him an extremely low rate of freight from Chicago to New York.

The rate asked was less than 8 cents per bushel, while all-water rates at that date were fully 9 cents. The terms of the London offer required the grain delivered in London at such an early date that the shipper could not, no matter at what rate of freight, avail himself of the all-water route from Chicago. Time was the essence of this contract. The railroads, anxious to do business and get something for their cars rather than have them stand idle, accepted the terms and hauled the grain. Any one with the slightest business knowledge can readily see that if compelled to carry out the "short-haul" prohibition of the Reagan bill they never would have taken this contract. America never could have shipped this wheat. Chances are India would have once more reaped an advantage. Who for one moment would claim as a business or

financial principle that roads can afford to carry grain 1,000 miles for 8 cents per bushel, or $2.65 per ton, equal to 2.64 of a mill per ton per mile?

What figures demonstrate to be true as to grain shipments will apply with equal effect to cotton or any other product that we export, and railroad experts know the necessity of these concessions at different times and in different places.

We all know the importance of our exports; how they regulate the balance of trade; how prosperity rises and falls in their volume.

Railroads thrive when the country is prosperous; why should not they by liberality and concessions contribute to help the general welfare? It is for their interest to do so. Is it for our interest to tie them down, bind them so that they can not meet necessary cases?

Section 2 of the Reagan bill is chiefly noted in its prohibition of pooling, and the people have come to look upon a pool among railroads as one of the great evils. I have no particular defense for them, and yet am sure they are not as black as many would paint them. Men call them combinations to "extort unreasonable rates." This may be true in some cases, but in many it is not. Pooling does sustain rates, but rarely if ever does it raise them. If a pool breaks, rates "go to pieces." If another pool grows up from the ruin the new rates are generally less than before the "break-up."

A well-established pool gives stability to rates so that business men can safely enter into contracts for the purchase and sale of goods, relying upon established rates as against unsettled and shifting figures.

One Western pool has been maintained for years, and yet the country through which its roads run has grown rapidly in population and wealth.

The object of pools is to prevent rate-cutting—an operation that breeds disaster to roads concerned, and rarely proves of permanent benefit to the community. Railroad wars frequently end in squeezing shippers all the more to get even for foolishness. Perhaps a law that beyond all question prevents unjust discriminations would render unnecessary absolute prohibition of pools. Pools rigidly adhered to bring all shippers on to precisely the same platform.

It is claimed by the author of the Reagan bill that it does not fix rates; but when it prohibits pools it practically says there shall be no permanent rates, and in a measure sustains "rate wars" and general cutting.

Before I close some review of the course of rates and business during the last quarter of a century may not be out of place, and in my judgment the points are worthy of attention as bearing upon this question of regulating "interstate commerce." The great reductions in rates in shipping by various routes, rail and water, are perfectly marvelous. Our ablest business men, our great statesmen, were all utterly unable to even imagine that what has occurred could possibly have come to pass.

Within twenty-five years I have personally known of 50 cents per bushel having been paid on corn shipped all water via lake and canal from Chicago to New York. Marine insurance at the same time ranged from 1 per cent. in the summer season to 3 per cent. in the dangerous seasons of early spring and late fall navigation.

In the early days lake vessels usually carried from 14,000 to 20,000 bushels, and the first appearance in the Chicago River of a 25,000-bushel-capacity vessel was the talk and wonder of the town. From that day to this the increase in size has continued, until now boats steam from Chicago to Buffalo carrying 100,000 bushels.

With the increased capacity have come decreased rates of freight, and within three years corn has been moved at 1 cent per bushel from Chicago to Buffalo. During the summer of 1885 many a cargo was shipped via all-water way from Chicago to New York at 4¾ cents per bushel. During the days of high lake freights railroads hauled grain to Chicago from the West, and no one dreamed that they would ere many years be discharging their cars at the seaboard instead of Chicago. The early car-loads rarely exceeded 350 bushels, while now 600 bushels is common and 700 to 800 bushels not unusual.

For more than fifteen years the railroads have been delivering large quantities of freight from Western points to the seaboard without breaking bulk.

About the first heavy business was done in the winter of 1873 and 1874, induced mainly by the short wheat crop in Europe. The demand at that time was so large that all-rail rates of 36 cents per bushel were freely accepted by shippers from Chicago to New York, and millions of bushels went forward during that winter. Against these rates the maximum tariff is 25 cents per 100 pounds or 15 cents per bushel.

All over the country railroads are to-day competing with the water ways for business. The question naturally arises, What has brought about all these changes? Reasons are plenty. Steel rails, larger cars, better roadbeds, reduction in grades, improved machinery, heavy and more powerful locomotives, cheaper money, cheaper fuel, large decline in cost of building roads and in cost of all rolling-stock, and in addition to all the above increased and constantly increasing competition. No sooner is one road built than capital, ever anxious for investment, crowds along another.

Division of business naturally breeds jealousies—each anxious to outdo the other—result lowering of rates, and, of course, monetary gain to the business interests. Railroads are fast becoming as plenty as highways. One can hardly think of a city or town of any importance but what has more than one road running to or through it. Great cities have been built, hundreds of millions of wealth added to them, peace and prosperity showered in blessings upon the inhabitants, and all the direct result of rail connections.

Very few people, following the natural unreasonableness of mankind and the general disposition to imagine grievances, stop to think how low freight and passenger rates have become. Some remote sections may not be on full equality with the more populous divisions, but the inhabitants thereof should "possess their souls in patience" and remember the others have been where they are now, and that their good time is coming.

The great West has been developed and peopled by the railroads, and no one thing has done so much toward its improvement as the giving of the cheaper rate for the long over the short haul.

I am surprised that the Western members in this House are so determined against this principle of railroad transportation. Prohibit this and the products of the West will not and can not be so cheaply laid down in Eastern and foreign markets as now. It is not for the interest of East or West to legislate against the universal laws of trade.

In direct connection with my reference to the large reductions that have taken place in freight charges, I now call the attention of the House to the following article from a leading journal in Philadelphia showing conclusively that rates have fallen to what seems to me about as low a point as people can ever expect:

The Pennsylvania Railroad's freight tonnage moved 1 mile in 1885 was the largest in the history of the company, being 235,936,277 tons greater than the total tonnage moved 1 mile in the preceding year. The average rate per ton per mile charged to the shipper in 1885 was 0.627 cents, being the lowest rate ever received by the company since its organization, and 0.113 cents per ton per mile less than the rate received in 1884. In the year 1865 the total amount of freight moved 1 mile was 420,060,260 tons, a very large quantity for that period, but in 1885 the total tons of freight moved the same distance had gown to the enormous amount of 3,318,466,263 tons. In 1865 the average rate per ton per mile received for carrying freight was 2.665 cents, while in 1885 the average rate was but 0.627 cents. The amount of reduction in the charge for transportation in 1885, computed on the difference between the rate in that year and that which was charged in 1865, made a saving to shippers of $67,630,342.44. The total reduction for twenty years, computed upon the same basis, shows a saving of $565,238,590.22. Had the Pennsylvania Railroad charged 1 mill per ton per mile more for the transportation of freight in 1885 than the rate paid the receipts of the company would have been $3,318,466 greater than they were. The following statement, showing for each year since 1865, the number of tons of freight moved 1 mile, the rate per ton per mile, and the amount of reduction in any given year by the Pennsylvania Railroad Division, computed on the difference between the rate in that year and that which was charged in 1865, will be found interesting:

Years.	Total tons one mile.	Average rate per ton per mile.	Amount of reduction each year, computed on rate of 1865.
1865	420,060,260	2.665	.....
1866	513,102,181	2.282	$1,965,181 35
1867	555,657,813	2.092	3,241,219 27
1868	765,775,500	1.906	5,129,136 50
1869	752,711,312	1.718	7,128,176 12
1870	825,979,602	1.549	9,217,933 36
1871	1,011,892,207	1.389	12,911,744 56
1872	1,190,144,036	1.415	14,864,899 01
1873	1,384,831,970	1.416	17,296,551 31
1874	1,372,566,976	1.255	19,353,194 36
1875	1,479,414,466	1.958	23,774,190 47
1876	1,629,742,021	0.892	28,895,326 03
1877	1,494,798,198	0.980	25,187,349 64
1878	1,732,003,131	0.918	30,258,094 70
1879	2,136,708,877	0.796	39,935,088 91
1880	2,298,317,323	0.880	41,024,964 22
1881	2,655,438,764	0.799	49,550,487 34
1882	2,879,542,701	0.817	53,213,949 11
1883	2,996,892,567	0.819	55,322,636 79
1884	3,082,499,986	0.740	59,338,124 73
1885	3,318,466,263	0.627	67,630,342 44
Total reduction for twenty years	.....	.....	565,238,590 22

These figures are wonderful, and I will venture the opinion that scarcely any one, including even railroad men, has ever realized their importance. They show the average rate per ton per mile to have been 2.665 cents in 1865 and .627 in 1885. Beyond, and what is more astonishing, had the rate been the same in 1885 as in 1865, then the road would have received in excess of what they did collect $67,630,342.44. What is true of this road is true in a proportionate manner with nearly every other railroad in America. Such statements are worthy of careful consideration by those who habitually condemn on sight everything connected with a railroad. They dispose pretty effectually of the argument that all railroads do nothing but oppress the people.

Having considered long and short hauls, rebates, polls, &c., I come now to the more important matter of wages paid to employés. The labor problem is the great leading question before the country to-day. Congress and all the State Legislatures are engaged in wrestling with the matter. To improve the condition of the workingman, to lighten his burden, to raise him in life, the power of legislation is now invoked.

I have estimated that five millions of our people to-day draw their support from the railroads of the country. Figures I will now give show former and present wages paid to employés by the Pennsylvania Railroad Company and the Chicago and Northwestern Railway Company.

PENNSYLVANIA RAILROAD COMPANY,
OFFICE OF THE FOURTH VICE-PRESIDENT,
Philadelphia, April 1, 1886.

MY DEAR SIR: I beg to inclose a statement showing the reduction in freight rates on our railroad from 1865 to 1885, by which you will see that the rate per ton per mile was 2.665 cents at the former date and .627 cents at the latter, or that the rates are now less than one-quarter what they were twenty years ago.

We have had our check rolls carefully examined in order to ascertain what wages have been paid to our employés during the same period of time, and whether there has been any reduction therein to correspond with the decreased rates of freight. We find that the wages paid the men employed in our shops between 1860 and 1885 are as follows:

WAGES PER HOUR.

Occupation.	1860.	1880.	1885.
Blacksmiths	$0 12½ to $0 17	$0 15 to $0 32	$0 15 to $0 32
Boiler-makers	0 15 to 0 18	0 15 to 0 24	0 17 to 0 26
Machinists	0 11½ to 0 17½	0 16 to 0 15	0 17 to 0 35
Carpenters	0 15 to 0 25	0 15 to 0 22	0 17 to 0 25
Sheet-iron workers	0 12 to 0 17	0 16 to 0 22	0 19 to 0 25
Laborers	0 8 to 0 10	0 10 to 0 16	0 10 to 0 16
Molders	0 14 to 0 16	0 15 to 0 22	0 16 to 0 22
Car-builders	0 13½ to 0 16½	0 12 to 0 21	0 17 to 0 23
Painters	0 15 to 0 16	0 11 to 0 23	0 15 to 0 24
Track laborers:			
Philadelphia division	0 10 to 0 12	0 11 to 0 13	0 12 to 0 13
Middle division	0 10 to 0 10	0 11 to 0 12	0 10 to 0 13
Pittsburgh division	0 10 to 0 13	0 11 to 0 14	0 10 to 0 14

WAGES PER DAY.

Passenger enginemen	$3 80	$3 80	$3 80
Passenger conductors	2 25	2 25	2 25
Passenger firemen	1 80	1 80	1 80
Passenger brakemen	1 25	1 25	1 25
Freight enginemen	$4 00 to 4 10	$4 00 to 4 10	$4 00 to 4 10
Freight conductors	2 80 to 3 50	2 80 to 3 50	3 10 to 3 50
Freight firemen	1 90 to 2 00	2 00 to 2 20	2 20
Freight brakemen	1 80 to 2 10	1 80 to 2 10	1 90 to 2 10

I think this will satisfy you that your position is entirely correct, that while the railroads are carrying freight at rates equal to about one-quarter of those charged twenty years ago, their employés are if anything receiving higher wages than at that time.

If you would like to have the detailed statements from which I have taken these items, of course I shall be glad to send them to you.

Very truly yours,

JNO. P. GREEN, *Vice-President.*

Hon. RANSOM W. DUNHAM,
United States House of Representatives, Washington, D. C.

CHICAGO AND NORTHWESTERN RAILWAY COMPANY,
OFFICE OF SECOND VICE-PRESIDENT AND GENERAL MANAGER,
Chicago, April 26, 1886.

DEAR SIR: Absence from the city has prevented an early reply to your esteemed favor of April 6.

I attach herewith a statement giving the figures you ask for, and also giving the average rate per ton earned on freight and per mile for passengers on this company's lines in 1868 and 1885 respectively.

I trust this statement will be useful to you.

Truly yours,

M. HUGHITT.

Hon. R. W. DUNHAM,
House of Representatives, Washington, D. C.

CHICAGO AND NORTHWESTERN RAILWAY.

	1860.		1886.	
	Per day.	Per month.	Per day.	Per month.
Engineers	$2 50	$65 00	*$3 75	
Firemen	1 25	32 50	*2 11	
Conductors, passenger		65 00 75 00		†$83 33 90 00 100 00
Conductors, freight		55 00		†60 00 75 00
Brakemen, freight		30 00		†45 00 50 00
Brakemen, passenger		30 00		45 00
Baggagemen		35 00		45 00 50 00 60 00
Machinists	1 50 2 00		1 75 2 90	
Laborers	80 1 00		1 25	

*Runs of 100 miles. †Runs of 2,000 miles.

CHICAGO AND NORTHWESTERN RAILWAY.

Owing to the destruction of many of our records by the Chicago fire we can not give you the earnings received in 1860, but in 1868 they were as follows:

	Cents.
Average rate per ton per mile for freight	3.13
Average rate per passenger per mile	4.02

While in 1885 they were as follows:

Average rate per ton per mile for freight	1.19
Average rate per passenger per mile	2.38

The significance of these figures, it will readily be seen, is in the fact that, notwithstanding all the reduction in freight rates, the wages have in most cases been increased and never decreased. The moral to be observed in this is that apparently rates are now at a minimum figure, and any hostile legislation that shall result in crippling must of necessity affect the labor. When we take into consideration the large number of railroads now running in this country barely paying expenses, many returning nothing to their stockholders, many in the hands of receivers, practically bankrupt, it stands as a warning to us against increasing burdens already too heavy to bear.

As bearing upon the question of earnings, expenses, and wages, I will read extracts from a letter written by the president of one of the leading New England roads. It is another interesting statement of the past and the present, and demonstrates the tendency, namely, while increased earnings, at same time increased percentage of expenses, no decrease but increase to labor.

APRIL 9, 1886.

MY DEAR SIR: I am unable to answer fully the questions which you ask me regarding the amount of wages paid the employés of railroads and "the cost of running a railroad before the war and at present."

Of course I can answer these questions regarding our own road, but what I suppose you desire to obtain is the amount of wages generally paid railroad employés in New England before the war and since, and the percentage of expenses to the cost of operation.

This can be done only by taking the reports of the different railroad companies for the two periods of time and by comparison making a general average.

The first railroad returns made to the Legislature of Massachusetts of which I have knowledge were published in 1859. This series of reports, commencing at that date, can undoubtedly be found in the Congressional Library.

These reports show the wages paid switchmen, gate-keepers, signalmen, and watchmen. The wages paid the common laborer and trackmen are not given in these reports, but were from 90 cents to $1 per day.

There has been up to the present time an advance upon these wages of 35 to 50 per cent., with fewer hours of work and less severe requirements. These reports also show the amount of the gross increase of the different roads in this State, the cost of operation, the net income, &c., and in fact most of the information desired about the railroads of that period, excepting the rates charged for the passenger and freight business. A comparison of the cost and income of the railroad business "between then and now" may be made by examining these reports in connection with the reports of our railroad commissioners of the present day.

On our own road the report of November 30, 1860, shows the freight income to have been $147,173.95, the expenses to income to have been 48 per cent., and the average receipts per ton of freight per mile to have been 5.37 cents.

The report of September 30, 1884, shows the freight income to have been $461,551.95, the expenses to earnings to have been 70 per cent.; average receipts per ton of freight per mile, 3.05 cents; showing a reduction of 43 per cent. in rate per ton per mile, and an increase of 46 per cent. in per cent. of expenses to earnings.

I do not know as this information will be of any value to you, but such as it is you are welcome to, and as much more like it as you may desire.

The National Board of Trade at its annual session held in Washington in January last fully considered the whole question of interstate commerce. This body is composed of delegates from the several commercial organizations of the country—business men noted for their careful study of questions that affect the commercial and financial interests of the land, conservative in their views, conscientious and earnest in their opinions. Their discussion of this matter is well worthy the attention of Congress, and I will therefore publish a portion of the debate that followed a report from their committee:

[National Board of Trade—Report and debate on interstate commerce—Friday, January 22, 1886.]

Mr. Pope, of Chicago, presented the following report:

"The committee appointed by the National Board of Trade to consider the several propositions upon its official programme relating to interstate commerce report that very recently 'A bill to regulate commerce' was presented to the Congress of the United States by a special committee of the Senate empowered to take testimony and fully investigate the wants of the entire country upon this important subject. The bill referred to is the result of the great labor and intelligent consideration of the whole question by the very able Senatorial committee mentioned.

After a careful examination of the bill named your committee offer the following:

Resolved, That the bill to regulate commerce introduced into the Senate of the United States by its special committee, January 18, 1886, and known as Senate bill 1093, is (subject to the exceptions hereinafter named) heartily approved by the National Board of Trade; that it is to be commended, perhaps, as much for what it does not undertake to accomplish (all attempts to fix arbitrary rates being wisely avoided) as for the provision made for the appointment of a national commission with ample power to regulate and remedy most of the evils now existing in interstate traffic.

We respectfully suggest the following amendments, which, in our judgment, would contribute materially to the efficiency and usefulness of the bill:

First. The striking out of section 4, which prohibits the charging or receiving of any greater compensation in the aggregate for the transportation of passengers or property for a shorter than for a longer distance, over the same line in the same direction, and from the same original point of departure. This board deems this to be an unnecessary restriction upon the freedom of transportation, and one in which its practical application would result in increasing rates charged for long distances rather than in diminishing those charged for shorter ones. It would debar many important transportation lines from participating in through traffic for long distances where the rates are too low to admit of their application to business terminating at local points on their several lines, such through traffic being a source of additional revenue at comparatively small additional cost. The remedy provided by appealing to the commission would impose upon the transportation lines a serious burden, and the multiplicity of cases arising would overtax the commission.

Second. The text of the second clause of section 1, on page 2, makes the provisions of the bill apply to the transportation of passengers or property by any vessel or vessels. In the judgment of this board all matter relating to transportation conducted wholly upon or by water should be exempt from the terms of the bill, the nation's water ways being open to free competition, and such competition being sufficiently extensive to afford ample protection to public interests, without further legal restriction.

Third. The salary named for each commissioner, $7,500 per annum, seems in-

adequate to secure that high grade of talent which the important service contemplated clearly demands. The administration of these great trusts in all their varied and delicate bearings requires that order of character, intelligence, and executive ability that is never idle, and always at a premium. The yearly compensation should not be less than $10,000.

WILLIAM J. POPE, of Chicago,
E. P. BACON, of Milwaukee,
CHAS. B. MURRAY, of Cincinnati,
PHILO PARSONS, of Detroit,
A. FOSTER HIGGINS, of New York,
Special Committee of the Board on Interstate Commerce.

The PRESIDENT. Gentlemen, you have heard the report, with the resolution attached to it, and the subject is now before you for discussion.

Mr. THURBER, of New York. I agree very generally with the points made by the committee, and I think that the Cullom bill is a great advance upon previous action that has been attempted in this direction. I am not entirely clear, however, in regard to this section 4, whether the allusion to this subject of long and short hauls should be stricken out. I am clear that it is impracticable to put matters of that kind in a bill without exceptions. I have not examined the bill closely to see whether the exceptions noted in the bill to such prohibition are sufficient to make it elastic enough for the railroads or not. Of course, in considering this question, we must look at it from two points—the point of the shipper and the point of the carrier. The great trouble heretofore in all transportation questions has been that there were two parties in interest, and that the carrier dictated absolutely to the shipper.

That has resulted in great injustice, and has given rise to a demand for some regulating legislation. It may be said that human nature is the same on both sides, and that if matters were reversed there would still be injustice done. There are sections of our country which I think are subject to very great injustice in transportation charges, as for instance, on the Pacific Railroad, where the intermediate States and Territories are charged double and treble as much for the services rendered as are the people on the Pacific coast. Freight was constructively hauled through to San Francisco at the through rate and then constructively hauled back again to the intermediate point at the local rate, which was twice as high as the through rate for the short distance. In point of fact, however, it was not hauled through to San Francisco and back; it was dropped at the intermediate point, and then charged for the through haul with the addition of the local rate back. It seems to me that there was a very great injustice, for the reason, in the first place, that the rate was excessive. There are parts of the United States—for instance, take points in Ohio and West Virginia—that are charged two and three times the rates that are charged on through tariff. The local rates on the Baltimore and Ohio have been especially excessive.

Mr. SUPPLEE, of Baltimore. To inferior points?

Mr. THURBER. I mean local traffic on the Baltimore and Ohio; their rates are excessive, in my judgment. I was looking into this matter about a year ago, and found that they were very much higher than our local rates in New York. I do not care, however, to criticise the report of the committee, as doubtless they have given the subject more attention than I have, and have studied the provisions of this bill, which I have not. I only raise the point for the consideration of the committee and the gentlemen here. But I do say here that the Cullom bill, as far as is shown by the synopsis which we have heard this morning, is a very great advance upon previous efforts in this direction. I would like to hear from the members of the committee in regard to it.

Mr. LORING, of Minneapolis. There has been no question presented to this board of such vital importance to the people of the Northwest as this one relating to interstate commerce, and no city in the country is so much interested in this question as the one I have the honor in part to represent, except perhaps the cities of the Pacific coast. The Board of Trade of Minneapolis adopted this resolution, which is an index to the sentiment of the people of the Northwest:

"*Resolved*, That our delegates to the meeting of the National Board of Trade be and are hereby instructed to oppose the recommendation by that organization of the so-called Reagan interstate commerce bill, as being wrong in principle and injurious to the Northwest."

They supposed at the time they passed that resolution that the Reagan bill would come up again for consideration at this meeting of the board. What they meant by that was to oppose the provision in the Reagan bill that there was not to be a larger rate charged for a shorter haul than for a longer.

Now, Mr. President and gentlemen, we received at the city of Minneapolis last year thirty-two and one-half millions of bushels of wheat, thirty millions of which was ground into over 6,000,000 barrels of flour and shipped to the seaboard.

Three hundred millions feet of lumber were manufactured, a large portion of which was shipped to points in Minnesota, Dakota, Kansas, and Nebraska.

The jobbers of Minneapolis and Saint Paul received from the seaboard over one hundred millions of dollars in value of merchandise, which was distributed from these points north and west.

These vast interests depend largely on transportation facilities, and no city outside of Chicago is more highly favored than Minneapolis in this respect; the competition between the sixteen railroads centering at that point and the water route by the great lakes in the summer months enable us to ship our products at rates of freight which would be impossible under the provisions of any bill regulating interstate commerce containing a pro rata clause, or a clause that no railroad should charge more for a shorter than for a longer haul. If a bill should pass Congress containing such conditions the vast prairies of the Northwest, which are sending millions of dollars into the coffers of our Eastern friends, would go back to the Indians, and the gentlemen from the great mercantile houses who ask us to abolish the tax on commercial travelers would not be troubled about that question in the Northwest, as they would have no occasion to send drummers in that direction.

Under existing rates of freight, wheat can be delivered from the producer in Minnesota to the consumer at the seaboard, at about 30 cents a bushel. I have been informed by railroad men that under any rate that could be made, under any bill containing a pro rata clause, the cost would not be less than 80 cents a bushel, or $4 per barrel for flour from Minneapolis to New York, a price greater than certain brands of our flour are now selling at in New York.

Mr. President and gentlemen, competition is the great regulator of prices in commerce, and the competition of our railroads with the water routes is the factor which makes it possible for the creation of great States like Dakota and Minnesota, with their millions of wealth, and the increase in their population of a million of people in a decade.

We of the Northwest are in favor of a law creating a commission, to which all matters relating to the question of transportation shall be referred, but we do not believe the time has come for the enactment of any iron-clad law, attempting to regulate rates of freight between the East and the West.

Mr. POPE, of Chicago. I desire to say, that before presenting this report I had not exchanged one word, nor even conferred with the gentleman as to the sense of the Minneapolis Board of Trade, nor as to his own individual opinion. I also desire to say that I thank my friend, Mr. Thurber, for raising the point that he did. He has presented a very grave question, which exercises the minds of business men all over the country, and one not very easy to answer. No doubt there is a great deal of equity and justice upon that side of the case, but we, as a committee, after having discussed this question for a long time—and perhaps no question before us has received more discussion at our hands than this one—have reached this conclusion: That the benefits to be derived from what we recommend are greater than those that would come from the adoption of the law looking in the opposite direction.

Mr. Thurber has raised the point that in many places in West Virginia and Ohio, and especially in Idaho, grievous and severe rates are charged. I would like to ask him if he really believes that those rates would be reduced if the specially low rate from the Pacific coast to the Atlantic, for example, or to other points were entirely withdrawn. Our observation has taught us that wherever the lines can not maintain their local rates, from which they derive their chief revenue, they will withdraw entirely from the through business, which is taken at low figures, and leave the local communities to pay the same as before. That is the consideration which led us to the conclusion which we have reached. Not that the local rate would not be too high, but how would the withdrawal of the through rates affect the people who pay the higher local rate?

There is another element that enters into it. Observation has shown that wherever a low through rate does exist it tends to reduce the local rate. The intelligence of shippers is such, and the force of public sentiment is such, that the officers of railroad lines are more ready to make moderate charges for local business when their through rates are very low, because unless they do the contrast would become so sharp that it would provoke the indignation of the people. So the fact is that the lower rate on through traffic helps the parties at local points.

Mr. BACON, of Milwaukee. Mr. President and gentlemen, I hardly feel able to add anything to the able elucidation of this subject which you have heard from the chairman of our committee. The substantial points have been fully covered by his remarks.

It seems to me that after the statements he has made it is almost incontrovertibly shown that this provision of the bill is not only unnecessary, but that it would become entirely inoperative because of the latter part of the section, which provides, by appeal to the commission, for exemption from the restrictions imposed by it.

It may be of interest, however, to look a little further into the merits of the question. It is, at first sight, a very plausible proposition that rates for a long distance should not be, in the aggregate, to say the least, any less than for the intermediate or shorter distances. But if that principle were put into effect, as has been indicated by Mr. Pope, we should find that the remote sections of our country would be almost debarred from the use of railroad transportation facilities. The business of any line of railways consists largely of that which is naturally tributary to it at the local points, either originating or terminating at those points, and that is the class of business which every railroad first looks after.

The rates for such business are fixed with reference to the cost of the service, and with a view of obtaining revenue from it. But when it reaches the *termini* of its line, it does not fix the rates with reference to the cost of transportation with the addition of a suitable amount for profit. It fixes its rates with reference to what it can obtain for doing the service, and we all know that that service is to a very large extent surplus business. We also know that the operating expenses of a railroad are, to a certain extent, fixed; that is, that they will necessarily reach a certain aggregate. While the addition to the volume of its transportation might be perhaps 50 per cent., or even 100 per cent., as is often the case, from the through business, yet there would only be added to its operating expenses perhaps not more than 10 or 15 or 20 per cent. If railroad companies are to be debarred from that through business, as they would be by the application of such a rule as this, and the public be debarred from transportation facilities by rail over long distances, it would necessitate actually a higher charge for transportation to and from local points than are now charged, as the companies would be driven to derive their entire revenue from local business.

One word as to the justice of the matter, and I may take the illustration which has been cited by my friend, Mr. Thurber, in relation to the Pacific coast. The rates between the Pacific and Atlantic coasts are fixed, as every one of us at all conversant with transportation is well aware, by what it costs to transport merchandise by sea. The railroad lines between the Atlantic and Pacific are obliged to govern their rates to a great extent by the rates charged upon the ocean. They are not obliged to charge precisely the same rates, but they can only charge a sufficiently higher rate, in view of the greater dispatch, as will enable them to secure the business. But the starting-point is what it costs to do that business by sea. Our friends on the Pacific coast are entitled to that privilege.

If the railroads, after doing their intermediate business, find it remunerative to undertake this through traffic at rates which compete with the ocean service, the railroads are certainly entitled to do so, and the public are entitled to use the railroads at those rates. Why is the man in Utah or Colorado, or any other intermediate point, entitled to the same rate? He complains to the railroad company for charging him such price as the company deems necessary, and at which it can make a profit for performing the service, that rate being the same as for twice the distance. He might as well complain that the Almighty did not extend an arm of the Pacific Ocean into the heart of the continent by means of which he might have access to the Atlantic Ocean by water. If the rate charged to Utah or Colorado, or any point in those States, is reasonable and equitable, that is all that the man in Utah or Colorado can reasonably ask.

We find a provision in this bill to the effect that rates shall be reasonable and just, and that any person who thinks himself aggrieved in regard to the rate for transportation may have his remedy by applying, either by letter or in person, to the railroad commission and stating his case before it. He could probably apply more easily by letter than in person. The commission is then empowered to investigate it, and if, in its judgment, the rate charged is unreasonable and unjust, it is made its duty to so inform the railroad company. It is found, where State commissions exist, that such action on the part of the State commissioners is sufficient to correct the evil complained of, if it be proved to be an evil. It seems to me that in this way there is full protection to the public without any such artificial restriction as is now proposed in the fourth section of the bill. We all know that pro rata charge was a favorite cry for years and years, especially in the State of New York. No doubt our friend, Mr. Thurber, is entirely familiar with that fact. But after years of discussion I think the public as a whole has become convinced that it is impracticable as a principle; it certainly has been dropped in that State. It never was put into effect there.

Mr. BACON. The measure proposed in the bill is simply a modification of the pro rata principle. It is an attempt to apply an almost identically similar principle in another form, and is an application which seems to be entirely unnecessary. If we had no such provision as this, requiring that the rate should be reasonable and just, it might be desirable to resort to some such artificial means as this is, in reality, to secure reasonable and just rates.

I want to state further, in this connection, that there is a provision in the statutes of the State of Illinois prohibiting the charge of the same or a greater rate for a less distance. This general statute of Illinois has been in operation now for fourteen years. The chairman of the Illinois State commission told me in an interview, about a year ago, that this one provision had occasioned them more trouble and difficulty than all the other provisions of the law, and the commission was satisfied that it should be repealed, and it had recommended the repeal in its annual report for 1884.

The facts stated in its report showed conclusively that it was an impracticable law. The commissioners were obliged to make rulings that were directly in the face of the law, and then shield themselves on the ground that nobody was damaged; that there was no injustice done by permitting the violation of the law.

Mr. NELSON, of Chicago. In short, the law is not enforced in that particular.

Mr. BACON. It has fallen into disuse by permission of the State commission. It has never been repealed, as I understand.

Mr. HOW, of Chicago. No, sir; it has never been repealed.

Mr. BACON. The fact that the commissioners found themselves in a position where they really had to recognize a violation of the letter of the law for the sake of both the public and of the railroad interests, it seems to me is conclusive evidence that in national legislation this ought to be avoided.

Mr. CORBETT, of Portland (Oreg.). My friend, Mr. Bacon, has alluded to the Pacific Ocean, and I have thought that possibly I might throw some light on that subject which I have considered to some extent, being a merchant of long standing on the Pacific coast.

Freight transportation by sea is about 40 to 50 cents a hundred to Portland, Oreg., and less, perhaps, to San Francisco. That is about the rate with which the railroads have to compete for certain classes of goods. It is, perhaps, a fortunate thing for us that we are located upon navigable waters, where vessels can reach us, so that we have these low rates of freight. The through lines of railroad are, of course, obliged to compete, to some extent, with the ocean carrying business, in order to get any portion of it. In other words, they have to fix a rate that, considering the insurance, the interest on the money, the risk by sea, damage and other things, it can be done for profitably, and that rate is from 60 to 80 cents a hundred for that class of freight; and they are either obliged to take freight at those rates, or not have it at all.

It has been stated here that the local freights to the interior are what enable the railroads to transport the goods across this country at this small cost, for this great distance of 3,000 miles. It is self-evident that if they were obliged to depend on the rate of freight that is fixed by the shipping interests that come to our shore, if they were obliged to take the rate of freight, considering all these matters of interest, insurance, and everything of that kind, they would be obliged to stop their through freight business; it could not be made to pay.

I have looked at this subject. It is a question that has come up in our community. The people there hardly comprehend it. The Granger interest, as they call it, want to fix a pro rata charge; they have advocated the Reagan bill in the Legislature. It is a want of knowledge, really, of these questions, that have been so ably discussed by the committee reporting this bill, that leads them to take the views they do. It might, perhaps, be well to strike out the fourth section of this bill in order to make it practicable. If that is retained, it seems to me it would be impracticable for the railroads on the Pacific coast to do business. They take this freight through to San Francisco at, say, 60 cents a hundred. The Central Pacific have charged, as stated by Mr. Thurber, a constructive rate to San Francisco, and then local rates back to Nevada. That is a parsely settled country, and of course they have to pay a high rate for freight.

Mr. DORE, of Chicago. Mr. President, I inferred, whether justly or unjustly, from the remarks of the gentleman from Baltimore [Mr. Supplee] that he labored under the impression that there was a feeling of hostility among the members of this board to the interests of railways. If it was his intention to convey that idea, I desire that it should not go unchallenged, for I am unaware that there is any such feeling on the part of any delegate here. I believe that every member of this board and the community at large fully appreciates what the railroads have done for the country. That they have very materially aided in developing the West I think I know. That they have had great encouragement to do that I also think I know. In my opinion—and I believe I have had some opportunities of forming an opinion—there is not a better railroad service in the world than we have in the United States. I think there is no other nation that gives equal facilities for travel for the same money. I do not believe that freight is anywhere carried as cheaply by rail as it is in this country on the great trunk-lines. But the question with the community is not whether freights are cheap or dear for the kind of service performed. The question in the West is, I think, whether they are the cheapest possible. If they are not the cheapest possible we believe that the producers of the country are entitled to something further. That is all there is to it. There is no hostility to railroads as railroads.

Mr. THURBER, of New York. I should just like to say a word on one or two of the points which have been made. I consider that Mr. Bacon and Mr. Higgins have brought out a very important point in calling attention to the section which says that all rates shall be reasonable. As I said in the beginning, I was prepared to have exceptions in a provision like that of section 4, so that it should be made sufficiently elastic for the railroads.

But at the same time there are two sides, as stated by Mr. Pope, to this question, and I think when this bill comes before Congress you will see that certain members will want some provision of this sort.

Take, for instance, the proposition that it is unreasonable to require a road to carry at the same rate for short distances as for long distances. Everybody will say at once that that is unreasonable. But to say that a road shall charge more for carrying, say 250 miles, than it charges for carrying a thousand miles, is another question. It is a question of degree to a very great extent. There are two sides, undoubtedly, to that question. This commtttee has given to the bill careful consideration. There are other points that, if time permitted, I should like to dwell upon, but I will not do so, and will only say that I am prepared to adopt this report.

Mr. MCLAREN, of Milwaukee. Mr. President, I want to give my hearty thanks to the committee who have so very carefully and thoroughly considered this question and reported to us. I know that they have done so at a great expenditure of time and thought. They have given time and labor that no other delegates have given, and in the result of these labors every member of this board must be deeply interested. At the same time I almost envy these gentlemen the privilege they have had of considering this question so fully in all its bearings, and especially in its bearings upon the bill which has been reported in Congress.

We have had placed in our hands a bill of twenty-one pages, and we have heard read a synopsis of that bill, making its provisions very clear and distinct. Now, Mr. President, I am not afraid, as a member of this board, and never have been, to vote for a particular bill or question in detail. But I do not want to see this board vote for anything until it thoroughly understands it, although I should like an expression of the opinion of the board this morning. I consider it utterly impossible, however, for us to properly consider a bill of twenty-one pages in length in the three hours before the absolute close of our meeting. If this bill were brought up in the shape expressed in the first section I should be prepared to vote most heartily for it.

Mr. HIGGINS. The bill does nothing more.

Mr. MCLAREN. I have not been able to read the bill; I have only glanced at it sufficiently to see that there are some things in it that I very seriously question. There are certainly some changes I should like to suggest before indorsing the bill. Still, I have been very glad to see that the board has taken a step in advance of its previous action on this subject. The board has several times decidedly indorsed the opinion that a commission ought to be appointed to regulate this whole question. Last year the board adopted a proposition that came from the New York Board of Trade and Transportation, as follows:

"*Resolved*, That Congress should, without delay, enact a law for the regulation of interstate commerce; that acknowledged wrongs should be prohibited, and remedies provided so simple and practicable that the individual citizen in any part of the country may avail himself of them; that a national board of railroad commissioners should also be established as an executive and supervisory body to study the transportation problem and see that the laws relating thereto are complied with." (Proceedings of 1885, page 68.)

That whole question was referred to a committee of five, who were instructed to report at the next meeting of the board, or to the executive council. I do not understand that that committee has made any report, either to the executive council or to the board. It seems to me, Mr. President, that, at the expense of a year's delay in this matter, it would be wisdom in us to wait and see that we are sure before we take any such definite and minute action as is proposed to us now. I should like the subject to have such consideration as could only be given by weeks and months of thought and investigation. Let us take the resolutions to our respective boards of trade for them to consider; and let us consider them, and when we send our delegates here another year we shall have some thoughtful, careful, well-advised, fully considered expressions of opinion to make upon this very important subject.

Mr. POPE. This committee, I beg to assure you in advance, will not feel personally aggrieved or affronted with any disposition whatever that you may choose to make of the report. We are but your servants. I desire to say, however, that I think it is my duty, as a member of the committee, to correct some misapprehensions that seem to exist in regard to this measure. As to what Mr. McLaren has said, from the report of last year, and also from the action that has been taken by this national board during the four years that it has been my pleasure to be a delegate, we have, from time to time, in the plainest terms, recommended the appointment of a national commission for the control or regulation, or at least for the consideration, of this whole question of interstate commerce. We are on record two, three, or four times on that subject, and at our last session we passed the following:

"*Resolved*, That Congress should, without delay, enact a law for the regulation of interstate commerce; that acknowledged wrongs should be prohibited, and remedies provided so simple and practicable that the individual citizen in any part of the country can avail himself of them"—

and recommending finally the appointment of a commission. There seems to be a misapprehension about the bill. It is proposed to do just what Mr. McLaren, to my certain knowledge, has voted for year by year. If this bill were designed to regulate railways, I for one should oppose it. I have never been an agitator; I have always been a friend of railroads. I will not say that I have never been an agitator, but I have never been a contestant in the sense in which Mr. Bacon has been, and I thank him, and also Mr. Thurber, for what they have done. I am to-day friendly to railroads. This bill proposes to do nothing more than has been recommended by this board from time to time; it does not propose to regulate railway rates at all.

Our report states that it is to be commended as much for what it does not undertake to accomplish—all attempts to fix arbitrary rates being avoided—as for the provision it makes for a national commission. The bill simply provides for a commission, and then for the hearing of complaints, and then for the methods of procedure. I can assure gentlemen that that is all there is in it. My friend Mr. Holton has a wrong impression if he thinks that a man would have to come a thousand miles to Washington in order to have his complaint heard. The bill provides for the certification of that complaint by the United States district court for the district in which such violation of law has occurred. It provides further that if you make a successful prosecution of the complaint the defendant shall refund to you all costs to which you have been put, together with your counsel fees, &c. If you are unsuccessful, then the cost is borne by the United States. The commission, under the proposed bill, does not necessarily have to sit at Washington all the time, but may hold sessions at any place in the United States.

Mr. Higgins, in referring to the Congressional report, said we had not had time to read it. I desire to correct any wrong impression that may have been left on your minds to the effect that we did not read the bill which followed the report; we did read it most thoroughly. I desire you to bear in mind the distinction between the report and the bill. The report of the testimony that accompanies the bill covers two hundred and sixteen pages of printed matter, and even that we have gone through pretty well. The report is printed under the title "National commission; its establishment recommended for the enforcement of legislative provisions."

Mr. Albert Fink and Mr. Charles Francis Adams, president of the Union Pacific Railroad, are some of the men who testified before that committee upon the railroad side of the question. Upon the opposite side, those favoring a commission are almost counted by the legion—such men as ex-Governor Claflin, of Massachusetts; Mr. Richards, of New York; Mr. Bogue, of Chicago; Robert Elliott, one of the ablest men upon railroad matters anywhere; Mr. Clark, of Philadelphia; Mr. Medill, of Iowa; Mr. Dalrymple, and Mr. Deane. All these gentlemen gave their testimony as to the appointment of a commission. You can not appoint a commission without some law, can you? Mr. McLaren wants a commission, but he wants the appointment put off. Can you ever get a commission appointed without a law which will in the first place enable the members to draw their salary and providing methods of procedure and for the hearing of complaints? That is all that this bill proposes to do. With this explanation, I leave it entirely at the disposal of the board.

Mr. MCLAREN. I desire to offer a resolution. My friend, Mr. Pope, has stated that I was in sympathy with the proposition that a commission should be appointed. He stated that quite correctly. I am on record in the proceedings of the National Board of Trade upon that question. I accept Mr. Pope's statement as to the scope of this bill, but I do not like the idea of voting on twenty-one closely printed pages without knowing myself what they are; I want to read and judge for myself. As I said before, I have seen some things in it that I do not quite like, and there are also some things not in it that I should desire to insert. I wish now to move the adoption of this resolution:

"*Resolved*, That the report presented, and the whole subject under consideration, be referred again to the committee, with instructions to report again to the executive council, at least sixty days before the next annual meeting; and that the council be asked to present said further report at once to the constituent bodies, asking them to specially consider the conclusions and recommendations presented, in order that the delegates to the next annual meeting may be prepared for a careful and intelligent discussion of the report, and for action thereon."

Mr. BACON, of Milwaukee. Before this question is put I wish to answer briefly one or two objections that have been made. I wish to say, in the first place, that this bill which is now before the Senate is the result of years of study on the part of the Senate committee by whom it was introduced, and that that Senate committee supplemented those years of study with six months of personal interviews with railroad managers and business men who have had to do with the transportotion of freight through all this country, by holding sittings at the principal cities. This report is now brought before Congress as a result of all that labor and careful study on their part for action. The bill is to a certain extent what might be termed, perhaps, a competitor of the Reagan bill. But the projectors of the Reagan bill have not had the advantage of this information and this communication with the public upon the subject as the Senate committee have. I know that the Senate committee would be greatly sustained and helped toward the passage of that bill through the Senate by the indorsement of this national board, and I feel that this subject has been long enough before this board for it to act upon it deliberately and with proper weight.

In regard to the additions referred to by Mr. McLaren as being desirable, I want to say that in looking through the bill I have been surprised to find some things omitted that I supposed would be in it. But it has been presented by the committee merely as an initiatory measure, the committee evidently having come to the conclusion that it would only recommend such legislation as it is thoroughly satisfied with as the result of its investigations of the demands and requirements of the country, and that further legislation should be left for consideration and recommendation by the commission to be established by the bill as proposed, in the performance of its duties.

As has been stated, the bill simply comprises these points, providing means

by which they can be carried out: That reasonable and just rates shall be established and maintained; that the public shall have the right of appeal to the commission for alleged wrongs done; that in case of failure in sustaining any complaint the United States bears the expense incident to the decision of the matter. Its purpose is to give to the citizens of the United States an opportunity of remedying any evils to which they are subject, without requiring them to retain counsel, costing vast sums of money, to contend against counsel who are under annual pay from the railroad companies, and without requiring them to follow their cases from one court to another until they reach the court of last resort.

Everybody knows that it is the habit of the railroad companies to resist complaints until parties are worn out, and everybody knows that a contest with a railroad company is a serious thing. My colleague from Milwaukee has referred to the contest we have been having in Wisconsin. Now, while I regret that that has been referred to, I will say in reference to it that I have been told by a number of my friends that they could not see why I should undertake to bear the obloquy and self-sacrifice involved in initiating and maintaining such a contest. But I felt that there were rights to be maintained, and I did it from a sense of duty. But a thousand will shrink from such a duty where one will perform it. This commission opens to every individual a prompt redress for every such wrong, and free of expense, the prosecution to be carried on by experienced persons appointed by the Government.

This commission is simply a supplement, as it were, to the State commissions, and it will be so in fact, if established.

State commissions have jurisdiction only over questions that originate and terminate within the territory of the respective States; that has been decided by the courts. It was decided in the recent case of Joy *vs.* The Wabash and Saint Louis Road, by the supreme court of Illinois. That case related to transportation from a point in that State to the city of New York, and the State court ruled that because the party charged with that transportation resided in the State of Wisconsin the court had no jurisdiction of the case. The company appealed to the Supreme Court of the United States two years ago, and the case is there yet. The company refuses redress, and the complainant is obliged to await the long processes of the law and to bear the immense expense incident thereto in order to sustain a point which perhaps does not concern him more than to the extent of $100. This commission is to do for the public at large what each individual needs to do for himself but can not do.

I want to say in this connection that in the States where commissions have been established their workings have been satisfactory, not only to the public but to the railroads. I have had somewhat to do with the Illinois commission, Milwaukee being so near the boundary of that State, and our business so interlaced with that of the State of Illinois. I have had a great deal to do with the management of railroads in that State, and I believe there is not a railroad manager in that State to-day that would have the commission abolished if he could. And I want to say that the commission is regarded not only as the representative of the people to defend and protect their rights, but also as the representative and protector of the railroads. Last summer the citizens of the State of Illinois made a demand upon the several railroad companies, in consequence of the low price of corn, for a further reduction in freight rates on that commodity, and that demand was proclaimed throughout the State.

The newspapers took it up, and a tremendous clamor was made in relation to it, and a demand was made upon the commissioners, evidently with the expectation that by making a loud noise the object desired would at once be accomplished. The commissioners took up the matter calmly, laid it before the managers of the railroads, called a convention of railroad managers for the purpose of consultation, heard the railroad side of the case, took the whole subject under consideration afterward privately, and finally made a report to the people that they were satisfied that the rates then charged were equitable and just, and that the railroad companies could not afford to make any reduction.

In this connection I want to quote a passage that appears in the report of the Illinois commission for the year 1884, which shows the practical workings of the law in that State, and which, as I claim, would illustrate the practical working of an United States commission with reference to interstate commerce:

"Thirteen years ago this commission was established, and for many years struggled to obtain that recognition to which it was entitled by law; and now, after the highest legal tribunals have affirmed the great powers conferred thereon, all the railroads doing business in the State comply with the requirements and decisions of the commission on the various questions connected with the great problems of transportation. The inclination now apparent in railroad management to avoid prosecutions and to foster friendly relations with the public, demonstrates the wisdom and efficiency of the present system of State control of corporate interests."

Mr. NELSON, of Chicago: This is one of the few subjects, Mr. Chairman and gentlemen, which I think I know something about. I have not taken up the time of this meeting to any great extent, and I had hoped and intended to avoid doing so to-day. But I am surprised to hear Mr. McLaren and others say what they have said, after the study we have given to this question in the National Board of Trade. I doubt very much if ever in the history of this board in the future we get another so able a report and so able an examination of this subject as we now have before us from this committee. I really hope that we shall not admit to Congress or to the country that we have been studying this question as long as we have and yet to-day are not able to decide upon it. If that is the state of our minds to-day, how or what or why we should ever hope or expect anything from Congressmen in the way of legislation I can not understand.

We have been studying this question for years. We have had these State laws before us, and have been informed as to the workings of the State commissions; and still we seem inclined—even the horny-handed granger from Wisconsin, raising crops in Wall street [laughter] still seems to be inclined to the opinion that the question as to this country and this nation (with a big N) has not been settled. I supposed it was settled years ago, and I thoroughly believe it was. I move, Mr. Chairman, to lay the motion of Mr. McLaren on the table.

The motion was seconded.

The PRESIDENT. The motion of Mr. Nelson is to lay the resolution of Mr. McLaren on the table. That does not admit of debate. The secretary will read the resolution.

The secretary read the pending resolution.

The PRESIDENT. There can be no debate upon the motion to lay upon the table.

A division was called for, which resulted in 21 ayes to 8 noes.

So the resolution was laid upon the table.

The question recurred upon the adoption of the report of the committee with the resolutions attached thereto. A division was demanded; which resulted in 22 ayes to 8 noes.

The PRESIDENT. The resolution is agreed to by more than the requisite two-thirds majority.

As the minority report of the Committee on Commerce on the Reagan bill states the situation very clearly I give it in full as part of my remarks:

The minority, never for one moment seeking to depreciate the importance of enacting a law upon the subject of interstate commerce, but believing that wise and well-digested legislation will be gladly accepted by the people and by the railroad companies engaged in transportation between the States and between the United States and adjacent foreign countries, have looked with due deliberation upon this matter as one equally as grave as any pending before Congress.

The interstate commerce of the country, which it is proposed to supervise and regulate, now passes over more than 125,000 miles of railway, representing an investment approaching $8,000,000,000, upon which during the year 1884 nearly 350,000,000 passengers and nearly 400,000,000 tons of freight were carried, while during the same period transporters upon water ways, natural and artificial, in most instances competitors of the railways, carried less tons of freight and fewer passengers; yet their proportion was very large.

While it is remembered that a large portion of this freight and passenger traffic will be directly affected by the provisions of the proposed bill, usually designated as the Reagan bill, it should be borne in mind that the interstate freight traffic carried over the railroads of the United States is composed largely of products coming in direct competition with the products of foreign countries. The American railways having to meet these products in the markets of the world upon equal terms, it can readily be seen that the question of regulating the rates upon that freight traffic is a most serious one. The cost of transportation directly affects the price at which the citizen of the United States is enabled to place his products in those common markets, and any unwise restriction or regulation may render it impossible for him to meet his competitors on even terms, and may thus seriously cripple many of the leading industries of our country.

It will be seen at a glance that cotton, coal, wheat, provisions and breadstuffs of all kinds, and generally all commercial and agricultural products, form the great bulk of the interstate commerce of the country, and it is universally conceded that through the system pursued by the railways in the past these industries have been extensively developed, and the United States brought into a position where a very large portion of its debt has been paid off and its prosperity enormously increased. That this could not have been accomplished except for the extraordinary reductions made by the railways in their rates upon traffic, which reductions have enabled the products of the most distant portions of our country to be transported by rail to the seaboard and thence by water to foreign countries, must be very clear. Certainly no serious ground of complaint can exist when figures show that in the last thirteen years the rates upon traffic have gradually been reduced from about 2½ cents per ton per mile to about 7 mills, and when dividends and interest upon the capital invested in railways during the year 1884 did not exceed 3½ per cent.

It can readily be seen how, in the management of so enormous a traffic, it is absolutely necessary that there should be entire flexibility in the adjustment of rates to meet the varying circumstances presented, and it is not believed that any "cast-iron" rules can be laid down for the regulation of this enormous traffic without seriously interfering with it and directly and vitally affecting the prosperity of the country.

The minority of the committee, therefore, have not favored the insertion of the provision preventing, under all circumstances, the granting of drawbacks or rebates, because cases were cited before the Committee on Commerce, in hearings, in which drawbacks or rebates were absolutely necessary to enable the domestic shipper to meet his foreign competitor on equal terms; always, however, in the opinion of the minority, having the system of drawbacks or rebates open to all under similar conditions and circumstances.

Nor do the minority favor the provision prohibiting a greater charge for a shorter than a longer haul, as it was shown to a satisfactory degree, as we think, in the hearings, that where two competing points were connected by water as well as rail, it was impossible for the railways to secure the traffic unless they made their rates as low as the water rates, and that while they might be able to do this on a portion of their traffic, it would be destructive of their interests to reduce all their rates to those which were forced upon them between certain points by the competition of the water routes. The minority consider that in this, also, unjust discrimination should never be made, but that the idea of charging the same rate for the haul under similar conditions and circumstances should be adhered to.

The minority also differ from the majority upon the subject of "pooling." They believe its absolute prohibition is unnecessary. There should be legislation imposing restrictive provisions, for shippers should not be placed at a disadvantage or competition in freight charges lessened so that transporters only should be benefited. If fairly carried out and not done by secret and private arrangement, if resorted to for the purpose of preventing what is called injudicious "cutting down" of rates, so that reasonable and just charges should be permanently adhered to, are the means by which transporters endeavor, or ought to endeavor, to secure fair rates upon the traffic which they carry, "pooling" would not be open to many of the objections made to it.

Past experience in railway transportation has satisfied transporters that the "pool" is the nearest and fairest device yet used to enable them to place shippers upon an equality and prevent grievous discrimination in favor of the large shippers as against the smaller ones.

But we appreciate the difficulty of satisfactorily legislating upon this subject, and would prefer to leave it to the consideration of a board of interstate-commerce commission, which tribunal we hope will be created. So much for what the minority suggest as to the drawback or rebate, the longer and shorter haul, and the "pooling" systems. Proper notification of the changing of rates, with the limitation of a reasonable time, publicly posted in stations judiciously selected in accordance with the amount of freight offered, upon an equitable annual average, might also be conducive of confidence of the shipper in the transporter. A carefully digested section might be incorporated in the law to meet this point.

The conclusion of the minority is, however, unfavorable to positive legislation other than the above suggested, believing that it is impossible for Congress, limited necessarily in practical knowledge of railway movements, prejudiced perhaps against the railway system by some local disagreement not yet settled, led to think that an occasional instance of what appears to be unfair dealing with the shipper is the transporter's general course, and beg leave to suggest that the most available present remedy for imaginary as well as real grievances is the creation by law of a board of interstate-commerce commission.

It is the province of legislators to ascertain by intelligent experience the legislation required, and that experience can best be secured through the proposed commission. It should be a permanently established bureau of an appropriate department; should be composed of the ablest men of the country; salaries should be large enough to attract men from the very highest and most lucrative positions of the varied business life of our citizens. This board should have power to investigate all complaints connected with the management of interstate commerce; power to secure their redress through the voluntary action of transporters or through legal proceedings instituted by it through the proper legal officers of the United States.

We desire to impress the House with our implicit belief in the present advantage of a board of interstate-commerce commissioners. We ask you to defer radical legislation until we have tried the commission, which, with powers to hear grievances, will also be required to report annually to Congress, and to suggest from time to time the legislation necessary to create harmony between shippers and transporters.

All which we submit.

CHAS. O'NEILL.
ROBERT T. DAVIS.
RANSOM W. DUNHAM.
FREDERICK A. JOHNSON.

In conclusion let me say the people demand legislation, but the business interests generally unite for a commission.

The Reagan bill is too sweeping in its requirements. If enacted into law it would, in the opinion of many of our wisest commercial and financial citizens, work more harm than good. Especially would the West be crippled in sending its products to the seaboard, for through rates would have to give way to local rates.

Gentlemen, give us the commission bill.

Oleomargarine.

SPEECH

OF

HON. BENTON McMILLIN,

OF TENNESSEE,

IN THE HOUSE OF REPRESENTATIVES,

Friday, May 28, 1886.

The House being in Committee of the Whole on the state of the Union on the bill (H. R. 8328) defining butter, also imposing a tax upon and regulating the manufacture, sale, importation, and exportation of oleomargarine—

Mr. McMILLIN said:

Mr. CHAIRMAN: We are seeking here to enter upon a new field of legislation in the name of agriculture and for the protection of agriculture.

From every part of this country where internal-revenue laws are enforced have come complaints against the method of their enforcement and against their unnecessary rigor. From Virginia, from North Carolina, from my own State, from Kentucky have come complaints against the tyranny and oppression of Federal courts. There is hardly a man within the sound of my voice who represents a rural district whose constituents have not at some time or other within the last twenty-five years been placed under the wheels of that Juggernaut. Agents for the enforcement of those laws have gone to the hills and hollows, to the highways and byways, and even to our cellars to smell around for bungs of whisky barrels and to arrest those charged with violating internal-revenue laws. Men have been dragged hundreds of miles charged with selling a twist or armful of tobacco. The annoyance to farmers engaged in tobacco raising has been intense.

But not content with that, in the name of agriculture it is proposed now to turn internal-revenue officers loose in the pantry; to have them inspecting the quality of butter our families use, and if it does not have the regulation taste and smell who can tell but that ere long that immense throng moving to Federal courts charged with violating the whisky law and the tobacco law will be swelled by those offending against the oleomargarine law?

Mr. Chairman, I would be glad to vote for a proper relief measure for the benefit of dairymen, but I will be compelled to vote against this bill if not amended. Look at the eleventh section:

Packages, each containing not less than 10 pounds, as prescribed in this act for oleomargarine manufactured in the United States before the stamps are affixed; and the owner or importer of such oleomargarine shall be liable to all, &c.

It provides for spies and informers, and gives them a part of the penalty incurred and recovered. This commodity is guilty of an offense, and finable to the extent of $50. Where is the penalty enforced? In his county court? No. In his circuit court? No. But he is to be dragged, in all probability, 100 or 200 miles to a Federal court, to dance attendance for twenty days, and then to be sent off if found guilty to a Federal prison.

All the gentlemen who have spoken upon this question, both in favor of the bill and against it, have said it is impossible for the best article of oleomargarine to be detected from a second-class of butter, except by an expert or chemical analysis. And yet you fix it so that any laboring man purchasing it, who lives in a city and does not know the difference between butter and oleomargarine, is liable to have his pantry visited and his butter or oleomargarine subjected to an analysis that will land him in a Federal prison. Is the House ready to enact such a law as that?

When the manufacturers of the best articles of cloth come here and say that the manufacture of shoddy is injuring their industry are you going to put your hand on that article? When manufacturers of morocco come and complain because the manufacturers of imitations of morocco are injuring them do you propose to interfere for their protection? Do you propose to go out into all that unknown region of legislation, where the patriots and statesmen of this country have supposed men had sense to take care of themselves, and will you undertake to take care of everybody by your legislation? Is this to become a paternal government, pretending to protect everybody and yet oppressing all? If so, what will be the result? Your Congress will dwindle down from what it should be—a legislator for the masses of the people under wise and wholesome laws—into making a puerile and futile effort to protect every man, and you will protect none.

I believe in that government which lets the people govern themselves so far as they can. What they can not do in their individual capacity let the States do, and then what neither the individual nor the State can do let the Government of the United States, so far as it can under the Constitution, do. There is none who will go further than I to force the manufacturers or sellers of this commodity to manufacture and sell it for what it is in the Territories and District of Columbia. If I were in a State Legislature I should vote for the most ultra measures requiring producers of this oleomargarine to label it as oleomargarine. I would do everything to prevent a fraud in its sale. But when you come to laying the hand of the Government upon it to tax it out of existence you have entered upon an experiment that can only end in disaster. Who will come next to ask us to legislate against butter?

[Here the hammer fell.]

Mr. MCADOO was recognized and yielded ten minutes to Mr. McMILLIN.

Mr. McMILLIN. I thank my friend from New Jersey. Now, Mr. Chairman, the founder of the Democratic party promulgated some of his wisest sayings against the encroachments of the Federal courts. As early as 1821 Jefferson wrote to Livingston saying in substance: "The great object of my apprehension is the Federal courts. They are stealing out over the fields of jurisdiction like a thief in the night. They begin in the day and at night they hold the conquests of the day, until we can hardly claim that we have within the States an exclusive jurisdiction that Federal power can not tamper with." The gentleman from Virginia [Mr. O'FERRALL] the other day raised his voice in favor of this bill, although he has witnessed the sad spectacle of a Federal judge in that grand old State going into a State court and dictating to a State judge what sort of jurors he should have to try State criminals. Yet now it is proposed to extend the jurisdiction of this already too powerful body, the Federal judiciary.

What more? Not content with placing the administration of our revenue laws (which was unavoidable under the system) in the hands of the Federal judiciary, we propose to add enormously to their power. It was bad enough to see them invested with power to authorize the plaintiff in an action, after he had gone into a State court, to remove his cause into a Federal tribunal, but we have seen not merely this; we have seen, as I have said, Federal judges dictating to a State judge what sort of jurors he should have to try parties arraigned for offenses against State laws.

Is this House ready to go still further and not only send these Federal officials to the polls, but send them into the dining rooms of the people and into their dairies, to arrest them and carry them off for trial before a Federal court? I do hope that that spectacle will not be presented. I hope that if this bill is to pass it will be limited to the territory over which the United States has jurisdiction, and that it will not go beyond the extent of wise legislation. For all of that I would vote.

I had occasion once to examine the encroachment of Federal authority upon the rights of the people and of the State courts, and made a speech against that encroachment on the bill which sought to limit the jurisdiction, and from that I make the following extract:

Mr. Speaker, I have said that unwarranted encroachments have been made upon the State courts by Federal tribunals. We have only to look at the United States statutes and the judicial construction of them for painful proof of this fact. Let us first examine the law as to civil cases. By the judiciary act of 1789, Revised Statutes, section 639, subsection 1, it is provided that—

"When the suit is against an alien or is by a citizen of the State wherein it is brought and against a citizen of another State, it may be removed on the petition of such defendant filed in such State court at the time of entering his appearance in such State court."

It will be observed that before the cause could be removed under this act the party removing must be a defendant, must also be an alien or a non-resident of the State in which the cause is pending, and must make his application for removal at the time of entering his appearance. These requirements tended to restrict the jurisdiction of the Federal courts. But in 1866

CONGRESS LIFTED THE FLOOD-GATES,

and since that a tide of litigation sufficient to arouse the gravest apprehension has flowed continuously into the United States courts. By the act of 1866 aliens and citizens of other States than that in which the suit was brought are authorized to divide the suit under certain circumstances, removing a portion to the United States courts and leaving it as to part of the defendants in the State courts, a thing unheard of in former times, and an innovation which should never have been tolerated.

The next step taken to degrade the State courts was the act of 1869, which authorized either the plaintiff or the defendant to remove the cause, and at any time before final hearing. In other words, a party might select his court, and commence his suit therein, and after experimenting he might turn his back upon the forum of his choice, and upon his own petition have the cause removed to the United States courts, and there still further harass his victim, till, from exhaustion or want of means to defend his rights, he yielded the matter in controversy. What justice is there in allowing the party bringing a suit to abandon and fly from the forum of his choice? What justice in permitting him to vex his victim by requiring him to dance attendance on every court known to our complex system?

THE FEDERAL COURT TAKES JURISDICTION OF THE NAVIGABLE RIVERS.

What more? The Federal judiciary have not only had their jurisdiction extended over the lands of the United States, but over the waters also. In the earlier history of our Government, the Federal court assumed jurisdiction over the waters only so far as tide water extended. But in this, as in everything else, the jurisdiction of these courts has been enlarged till it extends now over

all of our navigable rivers. It is true that thus far the courts have only exercised jurisdiction of civil causes on the water courses; but how long will it be, at their present rate, till they take jurisdiction of crimes committed there?

THE CIVIL RIGHTS BILL

was passed and jurisdiction given to the United States courts of causes arising under it, without any regard to whether the parties to the suit were citizens of the same or of different States, and without any limitation of time within which the application for transfer shall be made. By this legislation, for the first time in the history of this or, so far as I know, any other country, the complexion of the suitor determined the court that should administer justice to him, and we had established one court for one color and a different tribunal for the other, when all the parties were citizens with equal rights and privileges under the Constitution.

THE FEDERAL COURT ASSUMES CONTROL OF GUARDIANS.

Mr. Speaker, this all-pervading Federal judiciary, by virtue of section 5486, assumes the right to go into our county courts under certain circumstances, take the ward's guardian therefrom, and carry him to the Federal court to be tried for not discharging the duties of his trust. The section is in these words:

"If any guardian having the charge and custody of the pension of his ward shall embezzle the same in violation of his trust, or fraudulently convert the same to his own use, he shall be punished by fine not exceeding $2,000, or imprisonment at hard labor for a term not exceeding five years, or both, at the discretion of the court."

Is any man deluded enough to suppose that the founders of the Republic ever anticipated that this authority would be claimed by the Government or be yielded by the States? If because the money came from the Government as a pension the Government may follow up and punish the custodian for embezzlement, why may it not for the same reason follow it for all purposes and control the ward, guardian, and fund to the exclusion of the county courts of the States? If this assumption of authority goes unchallenged, who can tell but that ere long we shall have the General Government, through its judiciary, directing where the ward shall live, how much shall be paid for support, supervising settlements, directing the investment of the fund, and determining who shall inherit upon the death of the ward?

REMOVAL OF CAUSES BY CORPORATIONS.

But, Mr. Speaker, as if not content while a vestige of exclusive jurisdiction remained to the States, Congress in its wild career went further and provided that corporations and individual members of corporations organized under the laws of the United States might remove their causes from the State to the Federal court. This change is made by section 640 of the Revised Statutes, which is as follows:

"Any suit commenced in any court other than a circuit or district court of the United States against any corporation other than a banking corporation organized under a law of the United States or against any member thereof, as such member, for any alleged liability of such corporation, or of such member as a member thereof, may be removed for trial in the circuit court for the district where such suit is pending," &c.

As to corporations organized under the laws of any State, the courts have held that the residence of all of the persons owning or controlling the corporation within the State where the suit is instituted makes no difference. They are still entitled to the removal if the corporation was organized out of the State. Nor will the court hear evidence upon the question of residence of the individuals composing the corporation.

We have reached a point where the citizen is almost powerless in a litigated contest with an immense corporation, and yet we give foreign corporations, or those that are not wholly within a single State, an advantage over the resident citizen in the right to remove the cause to a distant court. Without the people, through their representatives, rise in their legal might and check them, I fear that the day is not far distant when individual property and constitutional liberty may both give way in the unequal contest. Let us take

RAILROAD CORPORATIONS

for an example. They are allowed the full protection of the law along their lines, as is the citizen, which is right. They even have the privilege of charging the resident on the line more per mile for carrying his freight than is charged for carrying freight the full length of the line. But when the citizen conceives himself aggrieved and sues he may find himself suddenly carried into the Federal court, to wait for years and expend much in costs before he gets justice administered. Year after year the people pour out their treasures and build new roads, and year by year larger corporations swallow them up at reduced prices. They never die. If a small road ceases to exist under its charter name, it is only to begin a state of immortality as a branch of a large corporation.

Daniel Webster and the Baltimore and Ohio road were in Washington together. The great constitutional lawyer has been gathered to his fathers a quarter of a century, but the corporation which bore him to "the Monumental City" is yet in its infancy, and only strengthened by the years which have elapsed. When another century shall have passed, and the United States teem with two hundred millions of people, these roads will be more active and powerful than to-day by the increase of commerce from an increase of population.

Men may come and men may go,
But they flow on forever.

Where is the necessity for extending superior advantages to those so able to take care of themselves and so able to crush out the individual? Let favoritism for them cease. Let those who build or support corporations be placed on an equality before the law with them. Let corporations be subject to the judicial authority of the State where they do business. If there is no conflict between the citizen and the corporation, no injury can result from this course. If there is a conflict, let us give the people an equal chance in that conflict.

INSURANCE COMPANIES FREED FROM THEIR AGREEMENTS.

To illustrate the maternal care with which our Federal system hovers over and protects corporations, let us look to the decisions of the courts concerning them. An act was passed by the Legislature of Wisconsin in 1870 providing—

"That any fire insurance company, association, or partnership incorporated by or organized under the laws of any other State of the United States, desiring to transact any such business as aforesaid by any agent or agents in this State, shall first appoint an attorney in this State, on whom process of law can be served, containing an agreement that such company will not remove the suit for trial into the United States circuit court or Federal courts, and file in the office of the secretary of state a written instrument, duly signed and sealed, certifying such appointment, which shall continue until another attorney is substituted."

This statute being in force, the Home Insurance Company of New York, a corporation organized under the laws of the State of New York, established an agency in Wisconsin, complying with the requirements of the act quoted, and agreeing as follows:

"And said company agrees that suits commenced in the State courts of Wisconsin shall not be removed by the acts of said company into the United States circuit or Federal courts."

The Supreme Court of the United States, in the case of the Insurance Company *vs.* Moss, 20 Wallace, 445, have held that notwithstanding this State statute, notwithstanding the solemn agreement of the corporation to the contrary, it may remove the suit to the United States court. The same has been held in the case of the Hartford Fire Insurance Company *vs.* Doyle, reported in 3 Central Law Journal, 41.

It is not my purpose to enter into any argument concerning the soundness of these decisions. It is sufficient for us to know that they stand. They are a barrier over which no State Legislature or State constitution can pass and take hold of corporations. The people, after years of patient, hopeful, but unavailing forbearance, cry out for relief. There is but one tribunal on earth which can give it to them, and that is the Congress of the United States. I hope that this, their only city of refuge, will not close its gates against them. They ask nothing more than to be placed on an equality before the courts with corporations, and nothing less should be accorded them.

Congress can not, and should not attempt to, interfere with the rightful and constitutional jurisdiction of the Supreme Court. There are also some classes of cases which are properly triable in the inferior United States courts. But Congress may regulate the jurisdiction and practice of such inferior courts, and should do so to the extent of relieving us of the hardships which the present system entails.

CRIMINAL JURISDICTION OF THESE COURTS.

The evil does not stop with civil causes. Congress has, by various acts which I will not delay the House by reading, given the district and circuit courts of the United States jurisdiction to remove criminal causes thereto which arise in the State courts against internal-revenue officers and their assistants for offenses committed by them against the State laws. The gentleman from Indiana [Mr. Orth], in a speech delivered here on this subject, defends the right and propriety of the giving of this jurisdiction to the inferior courts of the United States, and says:

"Such jurisdiction of both civil and criminal cases carries with it as an inseparable incident the laws of the State, so far as applicable and necessary, from whose courts such transfer has been made."

I insist that this is not in harmony with the genius of our institutions, is not consistent with reason or sound policy, and is in direct conflict with the law as decided by the Supreme Court of the United States. In proof of this position I read from the case of the United States *vs.* Hudson and Goodwin, 7 Cranch Reports:

"The powers of the General Government are made up of concessions from the several States. Whatever is not expressly given to the former the latter expressly reserve. The judicial power of the United States is a constituent part of these concessions. That power is to be exercised by courts organized for the purpose and brought into existence by an effort of the legislative power of the Union. Of all the courts which the United States may under their general powers constitute, one only—the Supreme Court—possesses jurisdiction derived immediately from the Constitution, and of which the legislative power can not deprive it.

"All other courts created by the General Government possess no jurisdiction but what is given them by the power which created them, and can be vested with none but what the power which ceded to the General Government will authorize them to confer. * * * The legislative authority of the Union must first make an act a crime, affix a punishment to it, and declare the court that shall have jurisdiction of the offense. * * * Certain implied powers must necessarily result to our courts of justice from the nature of their institution, but jurisdiction of crimes against the State is not among these powers. * * * To fine for contempt, &c., * * * are powers which can not be dispensed with in a court; but all exercise of criminal jurisdiction in common-law cases we are of opinion is not within their implied powers."

This case is cited and approved in the case of The United States *vs.* Cooledge *et al.*, 1 Wheaton, 415:

"In the case of The United States *vs.* Burr, which arose in the circuit court of Virginia in 1807, the Chief-Justice of the United States declared that the laws of the several States could not be regarded as rules of decision in trials for offenses against the United States, because no man could be condemned or prosecuted in the Federal court on a statute law."—*Kent's Commentaries*, volume 1, section 334.

Further:

"The great difficulty and danger is in leaving it to the courts to say what is an offense against the United States when the law has not sufficiently defined it. The safer course undoubtedly is to confine the jurisdiction in criminal cases to statute offenses duly defined and to cases within the express jurisdiction given by the Constitution."—*Kent's Commentaries*, volume 1, section 341.

Under these authorities the district and circuit courts of the United States can not convict its officers after their causes are removed, Congress having never made their "act a crime" or "affixed a punishment to it." No such authority can result by mere implication. Life is not taken nor liberty destroyed in any such slip-shod way by implication and resultant criminal jurisdiction. And as these courts have no power to punish, they become merely tribunals to turn loose those who are charged with high crimes.

I presume it is not the purpose of any one to go back and change the mode of disposing of cases which are founded upon difficulties that occurred fifteen or twenty years ago. But for offenses committed recently, in times of profound peace, every man should be amenable to the law he has violated and to the tribunal authorized to vindicate that law.

The gentleman from Indiana [Mr. Orth] also says of a bill now before the House for the restriction of inferior Federal courts:

"But it goes further, and repeals all laws transferring criminal cases from the State to the Federal courts. That would be the effect of the law if passed."

The same position has been assumed by others who have spoken in opposition to this bill.

Mr. Speaker, no such consequence flows from the legislation proposed in this Congress. A complete, ay, the best, remedy for the transfer of all causes containing a Federal ingredient, or against parties on account of any act done as officers or representatives of the Government, is left. Section 709 of the Revised Statutes is not touched by the legislation, and provides for a transfer to the highest court in our Republic. I send it to the Clerk to be read, that members may see that we are not attempting any inroad upon constitutional rights nor to leave officers of the Government without an impartial hearing.

The Clerk read as follows:

"A final judgment or decree in any suit in the highest court of the State in which a decision in the suit could be had, where is drawn in question the validity of a treaty or statute of, or an authority exercised under, the United States, and the decision is against their validity; or where is drawn in question the validity of a statute of, or an authority exercised under any State, on the ground of their being repugnant to the Constitution, treaties, or laws of the United States, and the decision is in favor of their validity; or where any title, right, privilege, or immunity is claimed under the Constitution, or any treaty or statute of, or commission held or authority exercised under, the United States, and the decision is against the title, right, privilege, or immunity specially set up or claimed by either party under such Constitution, treaty, statute, commission, or authority, may be re-examined and reversed or affirmed in the Supreme Court upon a writ of error. The writ shall have the same effect as if the judgment or decree complained of had been rendered or passed in a court of the United States.

* * * * * * *

"The Supreme Court may reaffirm, reverse, modify, or affirm the judgment or decree of such State court," &c.

CONSEQUENCES OF THESE CHANGES.

And what are the consequences of these changes in the forums of justice? The expense of litigation is increased enormously. The trouble of attending to it is more than doubled. By the process of dividing the suit already mentioned there are two suits where there should be but one, and they probably hundreds of miles apart, and possibly standing for trial on the same day. Strong corporations and wealthy individuals are able to attend and litigate in these courts, while the poor are not, and are virtually deprived of their legal "right to a speedy * * * trial" on account of the crowded state of the dockets and the impossibility of reaching the courts.

One of the charges our fathers made against the King of England in the Declaration of Independence was that of "transporting us beyond seas to be tried for pretended offenses." We had as well be tried "beyond seas" as beyond our county, if in both instances we are alike deprived of the power of obtaining justice. The world has heaped anathemas upon the tyrant who placed his laws so high they could not be read. How much more blamable was he for placing his laws out of sight than we are when we place our courts (through which alone the laws can be enforced) out of reach?

Again, by the present judicial system the citizen may be twice tried for the same offense—once by the State and once by the Government, where the same act is made criminal by the statutes of both. It is true that this grows out of our anomalous dual system of government. But that fact should restrain us from extending the jurisdiction of Federal courts further than is absolutely necessary.

If there was one feature of our judicial system in the States held more sacred by our forefathers than all others, it was that which secured to parties a trial before an impartial jury of the county or vicinage where the cause of action arose. So sedulous were they in the protection of this right that most of the States ingrafted it into their constitutions. It is virtually destroyed in the Federal courts. There the juries are taken from remote parts of the State or district, and had almost as well come from a different State, being total strangers to the parties and their surroundings.

I have already spoken of the great cost to litigants from the administration of justice in the Federal courts. But this is not all; they are immensely costly to the Government. Under Democratic rule, before the changes of which I have spoken, the cost of these courts was only a few hundred thousand dollars a year. Now it is millions, and increasing yearly. Too true is it, as stated by Judge Dillon in his work on the Removal of Causes, that "the small tide of litigation that formerly flowed in Federal channels has swollen into a mighty stream." He might have added "and that stream threatens to deluge the country with cost and bear away the dearest privileges of the citizen."

There is another great evil which flows from our present judicial practices. Deputy marshals and their posses may go through the States armed, shooting, destroying property, driving off hogs and cattle of the citizens, beating and killing citizens, and when arrested and prosecuted by the State officials they are permitted to file their petitions in the United States district courts and remove their causes thereto, away from those who witnessed the offense and suffered by it. What more? The district attorney and the Attorney-General for the United States are instructed by the Government to appear and defend the criminal and try to turn him loose. The people of the United States thereby pay officials to defend those who violate law. Is this right? Is it an effort to terrify criminals, or does it tend to encourage crime? I refer to this not as an evil in which the constituents I have the honor to represent are alone interested; for happily for them they have now administering revenue laws in their midst resident officials who are more observant of their rights than non-residents were; but I mention it as a question which affects all of our people alike.

The tendency to centralization is so ably described in an article recently published by a distinguished citizen of Indiana, Mr. Mason, that I quote his language on the subject:

"CENTRALIZATION TENDENCIES.

"The centralizing tendency of our national legislation is dangerous for another reason, namely: It is creating discontent and poisoning the affections of the people toward the Government, thus weakening the spirit of patriotism, upon which exists the ultimate hope of that Government for its just authority and long-continued existence. The humble citizen who for some technical violation of law is arrested and taken two hundred or three hundred miles to be tried in a United States court, and after much delay is perhaps mulcted in the trifling sum of $10, and finds that the expenses attending the same have amounted to several hundred more, very likely causing the loss of his home and the impoverishment of his family, is painfully impressed with the idea that injustice has been done him, and he becomes from that moment a disaffected member of society.

"He sees in such treatment a wrong that forever after rankles in his bosom, and causes him to look upon the Governmant as his oppressor and enemy rather than his protector and friend. In vain may you talk to him of the necessity of a strong government. In vain may you explain that her shield covers him as one of her children. In vain may you point to the insignia of her power and the evidence of her wealth and magnificence. In vain may you contrast the splendor of those granite temples which lavish folly is so rapidly multiplying all over the land for the dispensation of Federal justice, with the modest courthouse of his home, for to him what are they all but the domed and turreted mausoleums of expiring liberty?

"Such courts are not the courts of the people. No matter how learned and impartial their judges may be; no matter how pure the ermine with which they are clothed; no matter how exalted the social position which they occupy, they are the creatures of encroaching power, and like the magnates of the Church of England are expected to 'magnify their offices.' Their rules are arbitrary and their predilections are in the line of absolutism. They live in the gilded sphere of power and luxurious splendor and their sympathies are not with the homely virtues of the masses. No system that takes the citizen a long distance from his home to be tried for general offenses can be satisfactory to a people imbued with a proper spirit of liberty."

These are words of warning from a man who is of the political party which has been most instrumental in passing these laws. Surely he can not be accused of political bias. I have seen some of the citizens whom I have the honor to represent arrested and carried more than 100 miles to be tried in a Federal court for a simple misdemeanor. I have seen them required to attend term after term when there was either no case ever made out against them, or so light a case that a mere nominal fine only could properly be imposed.

But the poor unfortunates were not liberated till weeks of time and all the money they could get was spent. I have seen those dragged a long distance who were so poor they either had to walk or club together and go in wagons, camping out on the road at night. My object in speaking of these individual cases and their hardships is to show the importance of having justice administered near the parties interested. Why, the gentleman from Ohio told us of two cases in his State where parties had to expend in court costs $300 each in defending themselves against a simple misdemeanor where they were acquitted.

FINALLY IT SEIZES THE BALLOT-BOX.

Mr. Speaker, unfortunately the story of the aggressions of the Federal court, backed up by Congressional legislation, does not end even here. There is a glorious privilege for which our fathers fought and died—a privilege "dearer * * * than light and life" to every freeman through whose viens Anglo-Saxon blood flows. It is the right of local self-government through an untrammeled ballot. Sacred as is this franchise—blood-bought though it was—it, too, has been seized by the Federal court and prostrated by the power which Jefferson predicted would be the destruction of our institutions. Section 2012 of the Revised Statutes, passed in 1871, provides for the appointment of supervisors of elections. By section 2017 they are required—

"To personally inspect, from time to time, and at all times, on the day of election, the manner in which the voting is done, and the way and methods in which the poll-books, registry-lists, and tallies or check-books, whether the same are required by any law of the United States, or any State, Territorial, or municipal law, are kept."

Section 2021, also passed in 1871, provides for the appointment of special deputy marshals.

Section 2022 provides that—

"The marshal and his general deputies, and such special deputies, shall keep the peace, and support and protect the supervisors of election in the discharge of their duties, preserve order at such places of registration and at such polls, prevent fraudulent registration and fraudulent voting thereat, or fraudulent conduct on the part of any officer of election, and immediately, either at the place of registration or polling-place, or elsewhere, and either before or after registering or voting, to arrest and take into custody, with or without process, any person who commits, or attempts or offers to commit, any of the acts or offenses prohibited herein, or who commits any offense against the laws of the United States," &c.

Thus it will be seen that a deputy marshal appointed by a United States court is sent into States to control elections there. He is made the judge of the qualifications of voters and of their good or bad intentions in voting. With no higher process than the policeman's club he may arrest and carry away from the ballot-box an American freeman about to engage in the exercise of the highest political privilege ever bestowed on man.

Can these things be and our liberties last? Can they continue and we be other than slaves? Unfortunately they can not. They are the handwriting upon the wall which requires neither a prophet nor the son of a prophet to interpret, and which tell us that our republican institutions are in danger.

"STRONG GOVERNMENT" THE PLEA.

Under what plea have all these wrongs been perpetrated? What excuse is given for this subversion of the grand system devised and bequeathed to us by the founders of the Republic? It is the same plea under which Napoleon I tore down the Republic and built up the Empire of France. It is the same excuse given by Napoleon III for destroying the liberties of his people and placing upon them monarchy. It is the same under which ambitious men and tyrants have worked from the downfall of the first republic to the establishment of the last despotism—"Necessity for a strong government."

What is the necessity for a stronger government than we have? It is already, when considered in all its bearings, the most powerful upon which the sun shines. It resisted successfully, when much weaker than it is to-day, the greatest shock to which any free government was ever subjected—far greater than can menace it now. When our unfortunate civil war came and scattered the States of the Union this mighty Republic was strong enough to gather them up, replace them in their orbits, and move on, the brightest constellation in the firmament of nations. And all of this without the *post bellum* legislation which I have mentioned. This cry of "necessity for strong government" is only a subterfuge. It is the cloak under which are working those who are not content with our form of government. Let us meet it by constitutional methods, but firmly, as becomes men. Let us not, after the "lightnings of heaven have yielded to our philosophy, permit the temptations of earth to seduce our patriotism."

The Maelstrom on the coast of Norway is the most celebrated whirlpool of the world. Over an area of more than 125 square miles the circling flood sweeps. It is known now to be very dangerous to navigation, and according to ancient mariners whatever came within the compass of this monster of nature, whether ship or shark, whether whale or whaler, was drawn into the vortex, hurled to the center, and dashed to destruction by the whirling flood.

When the student of history looks out on Time's broad ocean, he sees a political Maelstrom more dire, more destructive, than that on Norway's stormy coast. It has circled since the first republic rose, and has wrecked and borne down all the free commonwealths of ancient times by drawing them to centralization, despotism, and ruin.

Its doom is like the Dead Sea air,
And nothing lives that enters there.

There may be seen the wrecks of Rome, of Greece. Strong as they were when they started toward centralized despotism, they were as powerless to resist as is the straw to resist the tornado which impels it. Had the proud Roman been asked whether his country's liberties would not be thrown away, he would have replied indignantly, "No; they are to be perpetual." Yet the pretorian guards, standing upon the ramparts of the "Eternal City," "with a loud voice proclaimed that the Roman world was to be disposed of to the best bidder by public auction," and it was done. Didius Julianus became the purchaser, and was thereby made emperor; and mankind were shocked to see the "mistress of the world" bought, paid for, and controlled by the money of one selfish, scheming, ambitious man.

The Appian Way now no longer resounds with the shouts of victorious Roman freemen, and the soft-voiced Italian has sung his sad song in misery and chains in the "City of the Cæsars."

Had the Greek been asked how long his freedom would last, he would have replied with the same infatuation which seems to have seized us, "Forever!" And yet the matrons who raised up sons for the state, and sent them forth commanding them to "return bearing their shields or borne on them," have been succeeded by the groveling tenants of the harem, and slavish degenerate sons have succeeded free and noble sires all over the land of Leonidas and Lycurgus. Let us take warning by their sad fate, and not permit ourselves to be drifted into this focus of centralized despotism and destruction, either by Congressional mal-legislation or by judicial construction.

[Here the time expired and the hammer fell.]

Thus it will be seen that step by step Federal power has advanced over fields of jurisdiction that in the beginning were the undisputed possession of the States. Where is this encroachment to end? What is the object and the outcome of it? Who will have a hand strong enough to stay its progress? Who with voice eloquent enough to rally the people to resist its evil tendencies? It is bad enough to think of inaugurating new methods of taxation when the people are already taxed to destruction; it is worse to contemplate the fastening of an internal-revenue system upon the country perpetually; but worse by far than those, than these, than all, is the invocation of the taxing power for the purpose of crushing one important industry at the expense of another, for protection's sake in its wildest career never advocated the taxation of one American citizen for the purpose of crushing him out of existence, even when it was run mad it did not go to this extent.

It claimed, then, for the sake of protection to American industries foreign imports should be taxed, but to-day a new doctrine is inaugurated. At this time a new political economy is talked, and we are asked to impose more burdens upon the people who are too heavily

taxed, not because the Government needs money but because somebody else needs the incidental privileges that will flow from the imposition of taxes.

I raised my voice, feeble though it was, against the encroachment of Federal power a year ago. I predicted then that the further degradation of the States and oppression of the citizens would inevitably flow from it. Almost within a fortnight of the time that I made the prophecy, and much earlier than I expected, its fulfillment began. Since that time we have seen the Federal courts of Virginia claiming the right to force the judge of the State court to the selection of certain classes of jurors; we have seen it assert the right to determine what sort of taxes should be paid by the people of Virginia, and we have seen decisions rendered in the Federal branch of our jurisprudence going very far toward the destruction of that reserved authority of the States which has been the boast of the people and the safeguard of the commonwealth which constitutes our Federal Union. We have seen in the city of Cincinnati alone over five hundred deputy United States marshals, appointed by Federal authority, standing around the polls in one day, supervising the citizen in the exercise of his noblest right—the right of suffrage.

Not content with the aggressions of the Federal courts we are called upon to-day to add immensely to their jurisdiction and authority. We have long since put the tobacco-grower under the surveillance of Federal authority, and he is not permitted to sell his product without the consultation and assent of Federal power. That power has also for a quarter of a century held rigorous sway over distilleries. Federal courts have been filled to overflowing with those who had the misfortune to come within the range of Federal informers. But, not satisfied with all of these, this Congress is to-day rushing pell-mell to a greater increase of Federal power, and proposes to bring the deputy marshal to your grocery store and your pantries.

Sir, I believe firmly that when you have protected the citizen in his life, liberty, and pursuit of happiness you have done all that free government was ever intended should be done, and all that can be safely done. When you have restrained one citizen from injuring another, when you have protected the weak from the oppression of the strong, you may well content yourself with permitting the citizen to choose his vocation and pursue it unhampered by Federal interference. I believe, sir, that it is a sound doctrine of government that the Government of the United States ought not to attempt anything in the way of government which can be well done by the States or individuals; and I believe that the State should do nothing that can be as well done by the individual.

Mr. Jefferson put it very tersely when he said that "the object of government was to prevent citizens from injuring one another." We have the grandest system of government ever devised by man. It is a division of power between the individual and State and the Government of the United States. The latter can do nothing the right to do which is not expressly granted in the Constitution of the United States or inevitably implied from the powers that are so expressly granted. The construction of the Constitution is certainly the best and safest construction, and wherever the power has not been delegated in the way indicated it is reserved to the people and the States.

The platform of the Democratic party adopted at Chicago, under which this House was elected and the present Executive placed in the White House, proclaimed the reduction of taxes, and yet in the very first days of our triumph we are violating that promise and propose instead of reducing taxes to increase them. While I am ready and anxious to assist every American industry in every legitimate way I do not think that this legislation is wise. I do not believe that an increase of Federal power can benefit either the State or the individual. So believing I must necessarily stand by the oath I have taken, and my conviction under that oath opposes the bill.

Treasury Surplus—What Labor owes to a Democratic House of Representatives.

SPEECH

OF

HON. JAMES E. CAMPBELL,

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, August 4, 1886,

On the conference report on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. Res. 126) directing payment of the surplus in the Treasury on the public debt.

Mr. CAMPBELL, of Ohio, said:

Mr. SPEAKER: Having voted for this resolution upon its passage by the House of Representatives I shall support it now upon its return and alteration after a conference with the Senate, although the two plans—the original and the amended—are in some respects dissimilar, and neither precisely meets my personal views of the measure. I am ready to favor any reasonable proposition to apply the surplus in the Treasury toward the liquidation of the public debt, and thereby reduce the interest-bearing obligations of the Government. I would do this largely on behalf of the laboring poor, who, under our systems of tariff and internal revenue, pay the greater share of Federal taxes. I support the pending measure, as I have supported numerous others by which this Democratic House has made a record as the friend of labor and laborers of which the party and the country well may boast.

In the last Congress a Democratic House, for the first time in our history, went systematically to work to provide for and nurture legislation in the interest of the laboring classes by creating a "Committee on Labor," which should have charge of and formulate for Congressional action all measures looking to the organization of labor and the relief of its growing burdens. One of the first results of this action was the creation of the long-desired and much-needed "Bureau of Labor Statistics," by which the facts bearing upon all productive labor and its needs and wishes, upon all oppressions of or movements against laboring people, upon all proceedings in derogation of their rights and privileges, and upon all matters of intelligence either useful or interesting to the workingmen of the country should be gathered and disseminated at the public expense. This work is now being carried on honestly, thoroughly, and satisfactorily, and is of enormous value to every workingman in America—valuable not only in its present performance, but incalculably so in its future possibilities.

Another of the good results of the formation of the Committee on Labor by the last Congress is the prohibition of the importation of contract labor. We all know how the honest laborers of the country, whether native or naturalized, competed a few years ago with cheap, imported, vicious workmen from the slums of the Old World. I recall to memory now the gross charges of importing cheap and inferior laboring people which were sustained against one Jones, a Pennsylvanian, I believe, who was one of the moneyed heads of the last Republican national committee. To fairly exhibit the situation as to imported labor which existed before a Democratic Congress came to the rescue of the workingman I quote the following from a lecture delivered in aid of District Assembly No. 1, Knights of Labor, at the Academy of Music, in Philadelphia, on May 22, 1886, by Maxwell Stevenson. He says:

> Would that we could stop here and say we have truly shown every wrong of which labor complains, but worse remains behind. Men have been returned year after year to the national councils who have pretended to legislate for the whole country. Tariff laws were enacted for the "benefit of labor," and the same legislation which kept the goods out let the labor in; nay, encouraged and permitted employers to import, at the cost of passage and advances, over four hundred thousand workmen—Chinese, largely coolies; Italians, largely under the padrone system; Bohemians, largely Anarchists; Russians and Poles, largely nihilists; Hungarians, largely barbarians—nearly all men; few women or children. Until 1877 the immigration from these countries was almost nothing, but this fact, from the immigration statistics, is not necessary to prove our claim that the increase of four hundred thousand was largely, if not wholly, due to direct efforts and assistance from employers, benefiting wholly by a tariff existing under the false pretense that the wage-earner is protected. What sentiment but greed, what motive but hate, could have moved men for whom legislation has been thus prostituted for years to drive their workmen with their wives and little ones into the wilderness to starve, while men without one or the other, with no knowledge of our laws or sympathy for our people or our ways, whose sole object and hope was to accumulate money to return to the land they were aided to leave, were imported to take their places?

Now, however, owing to legislation by the last Congress, the situation is different, and in addition to what was done then this Democratic House at this session has passed and sent to the Senate an amendment whereby the Secretary of the Treasury may enter into contract with such State commission, board, or officers as may be designated for that purpose by the governor of any State to take charge of the local affairs of immigration in the ports within said State, or may designate any person in any State to execute the provisions of this act, and it is their duty to examine into the condition of passengers arriving at the ports, to go on board of any ship or vessel; and if on examination there shall be found among the passengers any person who is a contract laborer, imported for that purpose, such person shall not be permitted to come ashore; and all such persons shall immediately be sent back to the nations to which they belong and from whence they came, the expense of return of the persons not permitted to land to be borne by the owners of the vessels in which they came; any vessel refusing to pay such expenses not to be thereafter permitted to land at or clear from any port of the United States, and such expenses to be a lien on the vessel.

Under these stringent provisions the free, laboring manhood of America can no longer be insulted and overborne by Chinese coolies, Italian lazzaroni, Hungarian anarchists, or Polish nihilists. It is time that every workingman knew (as many of them already do) that this glorious protection is sought for them by a Democratic House of Representatives.

Of all the important services rendered to wage-earners, whether organized as Knights of Labor or wholly unorganized, was the passage of the law, originating in this House, known as the "arbitration bill." To those liberty-loving and peaceful citizens who desire to see labor secured in its rights, and capital protected but circumscribed within its legitimate sphere; who do not wish the streets of our cities to be scenes of bloody strife between the people and their own militia, this great measure is hailed with universal joy.

Its provisions to recite them briefly are, that in all arbitrations between railroad companies and their employés, and it is this clashing of interests which has produced the most dangerous strikes, the United States shall empower the arbitrators with all authority to swear witnesses, send for persons and papers, pay all expenses of the arbitration, receive and file the award with the Commissioner of Labor who shall make it public, and hold the sitting of the arbitrators at a place near the scene of trouble. As has well been said by the gentleman from Texas [Mr. CRANE]:

Another feature of this bill is that it directs the preservation of the testimony taken in each case in the office of the Commissioner of Labor, which might operate as a check upon the arbitrators, but which would be principally valuable in the preparation of the annual reports of the Commissioner of Labor and for the consideration of Congress and of the Legislatures of the various States in dealing with the great labor question. This testimony would be infinitely more valuable than any amount of theoretical disquisitions delivered before a traveling committee of Congress, because it would be actual, practical, tangible evidence, germane to real, live issues joined by and between parties in interest, and would not be wild, visionary theories upon the general condition of labor throughout the country.

For the first time in our history this attempt by Congress to create a public sentiment by providing peaceful means of solving labor troubles, has made real and tangible the doctrine that labor is an ingredient of commerce and entitled to regulation by the Federal authority as foreshadowed in Chief-Justice Marshall's decision in Gibbons *vs.* Ogden, 9 Wheaton, 229, when he says:

Commerce, in its amplest signification, means an exchange of goods, but in the advancement of society, labor, transportation, intelligence, care, and various mediums of exchange become commodities and enter into commerce; the subject, the vehicle, the agent, and their various operations, become the object of commercial regulations.

Another measure for the advancement of labor, and its more complete organization, is the act to legalize the incorporation of national trades unions. This act originated in the Senate but the two Houses can justly claim an equal share in its enactment. By the terms of this act a national trades union means any association of working people having two or more branches in the States or Territories of the United States for the purpose of aiding its members to become more skillful and efficient workers, the promotion of their general intelligence, the elevation of their character, the regulation of their wages and their hours and conditions of labor, the protection of their individual rights in the prosecution of their trade or trades, the raising of funds for the benefit of sick, disabled, or unemployed members, or the families of deceased members, and other purposes. Why should not labor incorporate, organize, combine? Why should not the wealth of the nation as represented in its peaceful, honest, properly-directed labor "capitalize itself," if I may coin a term denoting the manner in which capital organizes? In the eloquent language of a gentleman on the other side of this Chamber, Mr. ANDERSON, of Kansas:

We have reached an era in the world's movement new in history. Owing to the dissemination of knowledge through the press and by the telegraph, owing to the development of science in all of its forms and directions, there has come to be such a growth of the masses, such a development of individual intelligence, such an increased personality and manhood, that to-day and as a nation we have fully entered that new era when combinations on the one side not only suggest but force combinations upon the other.

For years we have had, and we have seen them in this Hall, the combinations of aggregated capital. We have had the poolings of railways; we have had the combinations of manufacturing, of importing, of banking, and of railway interests; we have had capital in its aggregated form, no matter what might be its specific shape, we have had it in all forms standing shoulder to shoulder in this Hall and abroad all through the land. And what is the result? You now have on the other hand precisely the same development. You have the combination of the employés of these railways so to protect themselves against the greed and avarice of the corporations that they may secure fair pay for faithful work. You have the combination of farmers all over the continent seeking to protect themselves and to retain in their own pockets some of that profit of which railways rob them by raising freights; you have the combinations of mechanics, miners, and laborers. And to-day—not to such an extent perhaps as will be true next year, and certainly not to such an extent as will be true within ten years—but yet to-day the spirit of mutual interest and sympathy is uniting these various combinations of all workmen, and this great movement is so powerful and taking such direction that it is clear to any man who will look into the future that the question which Congress will have to meet, sooner or later, is the question of protecting the rights of the people, and of regulating the railway and other corporations in the great struggle between combined labor and combined capital. That is the great problem of the future, the burning, intense issue of the hour, as well as the crucial test of American statesmanship.

COMBINATION OF WORKMEN LAWFUL.

It is said that when workmen combine they do an unlawful act. Suppose I believe in the divinity of Christ and in salvation by His grace, which I do, and that other gentlemen entertain the same belief; we combine, we form a church. It is a combination of men holding the same doctrines and desiring to effect the same purposes; is not that combination lawful? Suppose that men entertain the same political opinions, may they not combine in a party? A caucus is a combination. Is that caucus therefore unlawful? Or suppose that workmen choose to combine, is that combination *per se* unlawful? Suppose they do nothing unlawful, can it be said that their combination is a conspiracy or illegal? Men may combine, men do combine. God created them to combine. This Republic is the result of combination, and itself a combination. And to say that these men, risking their lives upon the engine, upon the car, whirling trains over the country in the dark, working for pittances in order that their wives and their children may have a roof, may have food and clothing—to say that the combination of these men is a conspiracy is simply to repeat the malignant slander of a railway lobby. There is no conspiracy about it. They have a perfect right to combine.

Four other measures of great consequence to the workingmen of the nation are the following, which are found scheduled in their order in the short but pithy speech of the chairman of the Committee on Labor, Mr. O'NEILL, of Missouri. They are as follows:

TO PROTECT MECHANICS, LABORERS, AND SERVANTS IN THEIR WAGES (H. R. 5310).

By providing that for all personal services rendered by any person acting in the capacity of mechanic, laborer, or servant, in the District of Columbia and Territories of the United States, no property shall be exempt from seizure and sale under execution.

CONVICT LABOR (H. RES. 142).

Authorizing and directing the Commissioner of Labor to make a full investigation as to the kind and amount of work performed in the penal institutions of the several States and Territories of the United States and the District of Columbia, as to the methods under which convicts are or may be employed, and as to all the facts pertaining to convict labor and the influence of the same upon the industries of the country.

CONVICT LABOR (H. R. 1622).

To prohibit any officer, agent, or servant of the Government of the United States to hire or contract out the labor of prisoners incarcerated for violating the laws of the United States.

CONVICT AND ALIEN LABOR (H. R. 5541).

To prevent the employment of convict labor and alien labor upon public buildings and other public works, and convict labor in the preparation or manufacture of materials for public buildings and other public works, and to regulate the manner of letting contracts therefor.

Thus, in the short time I have to consume, I have portrayed briefly the outlines of the great work which the Democratic House has done for the bone and sinew of the land—the hardy sons of toil, in the sweat of whose brows has been wrought the prosperity and glory of our country. I would I could here give an outline also of the other work done in this House, as, for instance, the enormous forfeitures of railroad land grants, whereby nearly a hundred million acres of rich and fertile lands have been, so far as this House is concerned, wrested from the grasp of cormorant railroad monopolies and restored to the people to be made into homes for the children of the poor.

But space forbids, and I forbear the further recital of the priceless boons conferred by this House on the yeomanry of the land.

As contrasting this action with the party lately deposed from power I say nothing in my own words, but append the following appropriate and true quotation from a document recently issued by the workingmen to their own people:

Capital and labor should be friends, and are friends when wholesome laws control and govern the relations between them. It is only when legislation is enacted to advance capital at the expense of labor that the relations between become strained and unnatural. The legislation, national and State, for twenty-four years has been largely in the hands of the Republican party. The policy of that party has been, and is, to foster capital, invite to extravagant investment, and incite it to the formation of syndicates and large and grasping corporations. The evidences of these facts are so patent that it would be a folly and a burden to strengthen them by illustration. The policy of the Democratic party has been, and is, to conform the relations of capital to the just rights of labor; not by oppressing the former, or enacting laws that endanger its safety, but by an adjustment of the rights of each on the most equitable basis.

* * * * * * * * *

The administration of President Cleveland exhibits the keenest sense of justice on this subject, and its action as to the public domain, which it demands shall be held in reserve for the laboring men of the country, evidences its desires and intents, while the forfeitures it has claimed from the great railroad companies, which were subsidized by the Republican party, attests its determination to hold the great railroads to a strict observance of the conditions which accompanied their incorporation. The Democracy will protect the weak against the strong and will jealously guard the rights of the many against the grasping disposition of the few.

Post-Office Appropriation Bill.

SPEECH

OF

HON. SETH L. MILLIKEN,

OF MAINE,

IN THE HOUSE OF REPRESENTATIVES,

Thursday, May 20, 1886.

The House being in Committee of the Whole on the state of the Union, and having under consideration the amendments of the Senate to the bill (H. R. 5887) making appropriations for the service of the Post-Office Department for the fiscal year ending June 30, 1887—

Mr. MILLIKEN said:

Mr. CHAIRMAN: My friend from Alabama in the course of his remarks said that we seemed to be very fond of imitating Germany, her empire, her Iron Duke, and all that sort of thing. Germany is a pretty bright nation, and while I do not desire that we shall imitate either her emperor, her Iron Duke, her form of government, or her oppressive laws, yet when that government has proved the success of a public measure I do not know why we should not profit by her experience.

But let me ask my friend if he and his party do not stand ready in this House always to imitate the economic system of a foreign government as opposed to the American system of collecting our revenues?

Indeed they urge the English revenue system upon us in the morning and in the evening, at all times and upon all occasions, and when it is proposed that we shall establish new lines of steamers in order to carry the products of this country abroad so that we may open new markets for our manufacturers and furnish employment for our workingmen at home, these gentlemen cry out that that is taxing one portion of the people for the benefit of another; and when we attempt to protect directly by revenue laws our workingmen in the receipt of fair wages for their labor, these gentlemen again raise the same cry and parade before us the same bug-bear.

The gentleman from Texas said the other day that the difference between him and me upon this question, the method of raising revenue, was that he was in favor of a tariff for revenue only, with such incidental protection as it might give, but that I was in favor of "a protective tariff—that is, a robber tariff." I desire to say in the first place that a tariff for revenue only, with incidental protection, is an impossibility. It can not exist. A tariff for revenue only is a tariff levied upon such articles as will produce the largest revenue with the least taxation, and of course that revenue must be raised entirely upon articles that are produced abroad, so that such a tariff can not give a single dollar's worth of protection.

As to the robbery of which gentlemen so bitterly complain, where, I pray, does it come in? He who would rob the people is not the protective-tariff man who would so levy duties upon imports as to sustain the industries by which our workingmen live, but it is he who desires "a tariff for revenue only," a tariff that would tax the mouths and backs of the people and give them nothing in return. And why do gentlemen complain of our thrift? Why do they not rather emulate it? Can not they understand that if they will apply the advantages of protection in their own States they may thereby achieve as much good to themselves as we have done? Is it not more manly for them to try to get even with us by building themselves up than by tearing us down? Have they not the enterprise to make such an effort? How can they become richer by destroying our prosperity? They seem to think they can. The manufactures of the North appear to be their especial abhorrence. Take notice with what a ruthless hand the leader of their party in this House would crush the industries of my own State.

Of this I will speak more at length hereafter, but I wish now to refer to the fact that the tariff bill which they have reported would relegate our lumbering interests to Canada, our fisheries to the maritime provinces of a foreign power, would destroy the avocation of our wool-growers, stop our cotton and woolen manufactories; that legislation introduced by the Democratic friends of this measure would annihilate our ship-building industry, while they have defeated legislation intended to prevent our foreign carrying trade from entirely disappearing.

Indeed, if gentlemen had endeavored to legislate for the sole purpose of punishing the people of Maine, they could hardly have framed bills better calculated to accomplish that result.

When the Roman senators said to their northern conqueror, whose hard terms of capitulation they felt to be too grievous to bear, "If we submit to these things, what, oh king, do you leave us?" the grim, laconic reply was, "your lives." Well may the people of Maine repeat this question to the free-trade Democracy, and well may the latter repeat the reply of the barbarian king. You do, indeed, gentlemen, leave us our lives, but how many of our avocations do you leave us by which we may support our lives? I think our people will owe you small thanks for what will remain to them if you succeed in enacting your proposed legislation. But it is not alone because this legislation strikes a fatal blow at the industries of my own State that I oppose it.

It attacks American labor and American industries. It is the attack that is made upon the dignity of American labor and the welfare of the American laborer, and the fatal blow which it directly and indirectly deals against American industries in all sections of our land, that I desire to repel. The working men and women of this country should receive the protection of the Government in the pursuit of their various avocations for many reasons.

In the first place, they deserve it. Their hands of toil mold the resources of the country into available wealth. They make the wilderness blossom and the waste places to become fruitful, the rivers to resound with humming spindles, the seas to bear the burdens of the commerce of nations, the mountains and valleys to disgorge their riches, and the continent to be spanned and checkered with roads of steel. They deserve all the good that can come to them.

But the Republic also needs that they should be prosperous. Their hands hold up our fabric of government. Whatever weakens them weakens the foundation of our institutions. Whatever destroys them destroys the national life. Alone upon an independent, intelligent, self-asserting class of workingmen upon the farm, in the channels of commerce, at the mechanic's bench, behind the merchant's counter, in the quarry where forms of beauty and grand structures are chiseled from the solid stone, and wherever men toil with hands and brain, can a republic live and flourish.

Cheap labor means degraded, ignorant, wretched, and vicious labor. Whoever would come to this country to cheapen labor should be excluded from it, and every measure of legislation which, like the tariff bill recently reported, would either cheapen American labor or destroy our great industries and drive our people into idleness and poverty, should be cursed and branded like Cain, and go forth to meet in every patriotic man an enemy.

Cheap Chinese labor, if unrestricted, would make of California a land of rich property-holders and degraded toilers, an aristocracy continually diminishing in numbers and an ill-paid class of laborers ever growing more numerous and more wretched, with no prosperous middle class to sustain free government.

The same would free trade, toward which the bill referred to is an advancing step, do for the country by placing American working men and women in competition with foreign pauper laborers and reducing them to the latter's helpless condition.

MUST EXTEND OUR FOREIGN MARKETS.

But, says the free-trader, we must extend our foreign markets by abolishing protective duties and allowing the foreigner to compete freely in our own markets with his pauper-produced goods. Both reason and experience conclusively demonstrate that we can not enter the foreign market by this avenue; and also that it would not be desirable to do so even if it were possible, for it could be done only at a cost with which the advantage gained would be in no degree commensurate.

"There is no friendship in trade" is a proposition as true as it is old. The foreigner of every country will purchase where he can do so with the greatest advantage to himself, without considering where his own sales are made.

So long as we can offer our wheat, beef, coarse cottons, implements of agriculture, and other goods in the markets of the world upon terms more favorable to the buyer than he can obtain them elsewhere, just so long and no longer will he be our customer. Though we should allow him free access to our markets with his cheap goods so that he might drive out every similar article made or raised in America, still he would not buy a pound of our cotton or a bushel of our wheat if he could procure them more cheaply of another.

TRADE IS NO BARTER.

The proposition of the free-trader is that trade is barter. This is his fundamental error. To be sure this proposition in early days was true. It is true to-day of our intercourse with barbarous nations. We exchange rum, beads, and brass jewelry for ivory and oil with some tribes of Africa; but among civilized nations the invention of money has abolished this practice. This medium of exchange has unfettered trade, taken away the necessity of getting from him to whom we sell what we want in return, and enables us to sell where we can sell best and purchase where we can buy cheapest. Barter, which is almost wholly abandoned in our domestic transactions, is made even less use of in our foreign trades, as the statistics of our commerce abundantly prove.

Our purchases from England are but a little more than one-third in value of what we sell to her. To Scotland our exports are double the value of our imports from that country. We sell to Ireland nine times as much as we buy of her, to Denmark nearly twenty times as much, to Belgium twice as much, to Holland three times as much, to Russia more than five times as much; while from Cuba we buy six times as much as we sell to her, from the British West Indies ten times as much, from China and Brazil five times as much, while of Germany and France, almost alone, can it be said that our exports and imports are nearly of equal value?

The fact is that we sell the great bulk of our surplus products to Europe, where we buy comparatively little, and use the balance in our favor there to pay the balance against us in the West Indies, South America, and China.

If the proposition of the free-trader that by opening our markets to the foreigner we should make him a larger purchaser from ourselves were not a fallacy, why does not Cuba, whose sixty-five millions of dollars' worth of imports to our country, with the exception of tobacco, are nearly all upon the "free-list," buy more than a dozen millions of us? Why does China, who, without payment of duties, send her goods to the value of $23,000,000 to us, purchase only the pitiable amount of $4,500,000 worth here? Why is Brazil, who sends untaxed $50,000,000 worth to be consumed here, our customer to the extent of only $9,000,000; and why does Great Britain buy of us $475,000,000 worth, while we purchase less than half that value of her? In the light of these statistics and many others which might be quoted, what reason have we to believe that by opening our markets to foreign manufacturers we should receive any adequate return? We have none.

Trade is not barter; and this fact, established beyond question by the commercial dealings of civilized nations, is a conclusive answer to the proposition that we should establish free trade in order to enter freely into foreign markets ourselves.

Why, England to-day, with her free trade and cheap labor, her immense capital and great establishments, is sorely pressed to find markets for her goods; and are we so simple as to believe that by waiving the wand of free trade we can force her from the commercial positions she holds abroad, unless we so reduce the wages of our working people as to enable us to sell our commodities as cheaply as she can sell hers? Indeed, it is because she is so overloaded with surplus manufactures that she is now pushing, with ever-unwonted activity and determination, by the aid of the Cobden Club and the pro-British party in this country, her assaults upon our industries.

But I am not yet done with this branch of the subject. I assert that not only are we not debarring ourselves from foreign markets by protecting our own, but that in this way are we gaining them, and we will continue to gain them.

In 1868 our exports amounted in value to $68,000,000. Now they aggregate five times that sum. By protecting our industries we have vastly multiplied them and stimulated the inventive genius of our people. The better wages that protection has given to the mechanic have enabled him to shorten his hours of daily labor, and so afforded him time to study, reflect, and evolve problems which, practically applied, have given him machinery by the use of which he is already in many pursuits outstripping his foreign competitor. Thus came the American watch, the best in the world, which not only supplies our own markets, but is sold in every civilized country on the globe, forcing even the Swiss and the Englishman to become its purchaser. Thus we can send abroad 150,000,000 yards of coarse cotton and 400,000 clocks annually. Thus we can sell our agricultural implements in every quarter of the globe, and so we are increasing our exports every year.

In this connection I desire to read an article from the Scientific American of February 27, 1886:

AMERICAN BRIDGES ABROAD.

The Union Bridge Company, of New York, has been awarded the contract for constructing a bridge across the Hawksberry River, in New South Wales. It is to be a double-track railway bridge, consisting of seven steel trusses, 415 feet long, resting upon stone piers. The river at the proposed site for the bridge is practically an arm of the sea, having a tidal current which averages 4 miles an hour. The work will be unique in one respect, for the piers will have to go to the unprecedented depth of 170 feet below the low-water mark. The foundations will be of beton inclosed in iron caissons. The depth and current will make the work one of great difficulty. The contract is with the Government of New South Wales, and calls for the completion of the work in two years and a half. Including the approaches, the bridge will be about a mile in length, and will cost probably something between one and a half and two million dollars.

When the work was contemplated, a commission of three noted English engineers was appointed to prepare specifications and invite bids. Their own estimate of the cost was $3,000,000. Sixteen bids were submitted. They came from English, Scotch, French, German, Flemish, Australian, and American engineers. Fourteen of these bids were rejected by the commission. The two forwarded to the Government of New South Wales came from American firms, the Union Bridge Company and the Edge Moor Iron Company, of Wilmington, Del. These were the only American companies who entered the competition. Though the bid of the former was $150,000 the higher, their plan was accepted as being more feasible. It is understood that the stonework has been sublet to Anderson & Barr, of New York. The steel work will all be made at the company's establishment in Buffalo, N. Y. It is very gratifying that American bridge builders, in spite of the higher rates of wages prevalent in this country, are able to compete successfully with the older European firms. It is a large compliment to American engineers that such an important work should be intrusted to them in preference to home constructors.

That is, to say the least, highly complimentary to American mechanical skill. Protect our workingmen, give them fair wages for their labor, so that they need not delve all the day long for subsistence. Let ten hours be the extreme length of their day's toil. I would have it rather less than more. Let them have time to exercise their ingenuity and utilize their practical knowledge, and they will solve the question of obtaining foreign markets for American products without surrendering our incomparable valuable markets at home.

What they need to aid them in doing this is not the free-trade legislation provided in the Morrison tariff bill, but the direct communication with foreign countries, and especially the South American Republics and Brazil, which the Senate amendment to the pending bill is designed to give and which our Democratic friends in this House so stubbornly oppose.

HOME MARKET.

I have just spoken of our home markets. I say they are incomparably valuable, for certainly when compared with them the foreign markets for American goods are seen to be insignificant. They take but 8 per cent., while our home markets absorb 92 per cent. of our manufactures. We send to them even a smaller per cent. of our agricultural products, and yet, glutted as they are all over the globe, gentlemen would exchange for a delusive hope of extending our sales in them our rich home markets, with the princely rewards which they bestow upon our producers. They would exchange fertile fields for barren waste, clean wheat for almost useless chaff, fine gold for dross.

What a rich feast would we present to the foreigner if our free-trade, pro-British Democracy should succeed in its efforts to break down the protecting muniments of our industries and allow him to revel in the spoils of our American markets! This splendid home market, so broad as to absorb not only our staple but perishable products upon which the largest profits are realized, secure from the fluctations caused by mutations abroad, saving two transportations across the ocean upon all that is sold and bought, the best-paying to the producer because supported by the best-paid consumers on the globe, has never been properly valued by our people. It sends the egg-peddler, the poultry-buyer, the potato and grain merchant, with cash in hand to every farmer's door. It offers him 30 per cent. more than he could sell for twenty-five years ago. Nowhere in the world can a man find so favorable a market for what he has to sell, whether it be the product of the land or the sea, the labor of his hands or the ingenuity of his brain, as in this good, free land of ours.

And so it will continue to be as long as we maintain such duties as shall adequately protect the labor of our people from a ruinous competition with cheap labor. No wonder this home market ravishes the eyes of the foreign merchant and manufacturer, that his heart beats with aching avarice as he gazes upon it, that his soul swells with earnest longing to embrace it. Never did famished Highland clan look more eagerly down upon well-stored granaries and fattened herds of Lowlander; never did Goth or Hun, or half-fed German horde gaze upon the yellow harvests and purple vine-clad hillsides of Italy and Gaul more lustfully and hungrily than do the greedy, grasping British manufacturers and merchants to-day urged by their own avarice and the clamor of their ragged, poorly-housed, and ill-fed laborers, look upon the better than golden treasure of our American markets; and never was traitor in Lowland, Roman, or Gallic camp a more grievous and fatal betrayer of his countrymen than the self-deluded doctrinaries, the English-aping dudes, and the foreign-bought gentlemen who seek by shot and shell of sophistry to batter down the walls of protection to our industries, founded in the experience of our forefathers and reared high in the wise counsels of the most eminent sons, and let these foreign enemies in upon us to capture our advantages and ruin our prosperity, as the Vandals captured the wealth and ruined the splendors of Rome.

WE HAVE NO SURPLUS REVENUE.

Gentlemen would abolish duties to the amount of our surplus revenue so as to reduce taxation to that extent. Well, I am as ready to reduce taxation upon the people as any tariff reformer in the land when it can be done really for the people's benefit. But there is more humbug and demagogism mixed with some grains of deluded honesty concealed under the mask of this phrase, "reduce taxation," than most any other in the English language. And the curious fact is that it is scarcely used by the people on whom the burdens of taxation bear hardest, but is a shibboleth in the mouths of our British cousins, who, while they feign to be so anxious that we should not be oppressed by taxation, scruple not to oppress their own people with rags and hunger; by some of our capitalists in the great cities, our doctrinaire professors, and a lot of dudes who never felt the pressure of taxation nor anything else, save that of tight pants and pinching shoes.

But have we any surplus revenue? Have we had any in the last twenty years? How can a man be said to have a surplus income when by the use of all he can get he can not support himself and pay his debts? How can that country be said to have a surplus of revenue, when, after providing for its necessary expenditures, it has enough left to pay but a small part of what it owes.

What has been done in the past with what gentlemen please to call the surplus income of the Government? I will tell you. It has been applied to the reduction of our great war debt of $3,000,000,000 in 1865 to $1,400,000,000 now; to the reduction of the $150,000,000 of interest upon that debt, which the people paid in taxes in 1865, to less than fifty millions which they paid for the year when this administration came into power; and I hope it will continue to be so applied until the last dollar of the public debt shall have been paid.

Such applications of it have raised the credit of the nation, which borrowed money in 1860 at 12 per cent. interest, to a plane higher than that of any other nation on the globe. Do you believe that we could have resumed specie payments and borrowed money at 3 per cent. interest had we raised no revenue to reduce our debt? I am no believer in the doctrine that "a public debt is a public blessing." That doctrine will do for a monarchy where a public debt is desired to help bayonets protect a crown. It may uphold an oppressive dynasty, it may support a crushing despotism, it may cause submission to a grinding aristocracy, but in a republic it should be the subject of abhorrence, and the republic that needs it should not exist.

So long as our own great Republic shall continue to be the Republic that it is to-day, a republic in fact as well as in name, improving with experience in self-government which time shall give to the people, so long as it shall be a Government of the people, by the people, and for the people, it will have the love of the people, and that will be enough for its protection. If it shall ever cease to be this (God grant that it never may), if the time shall come when it shall be such that every citizen shall need to have its bond in his pocket to secure his allegiance to it, then it will no longer merit the people's love and respect, and deserve no longer to survive.

No, sir, we want none of these extrinsic, unreliable bonds of union. Let this great Republic continue to be a beneficence to the people, then their patriotism shall be its sufficient bond of union and its solid foundation-stone; then it shall be firm as the immovable mountain, as enduring as the storm-beaten, wave-washed rock, which neither winds nor waters can disturb.

I repeat, let the last dollar of the public debt be paid as soon as it can prudently and reasonably be done, and thus shall we set a most salutary example before the great nations of the other hemisphere, and do an act almost as useful and glorious as that of the men who founded our Government, and those, who, but a few years ago, by their brave deeds and great sacrifices, saved its life and baptized it anew in the love and pride of the nation.

But what right have we to expect a surplus in the future? Indeed, have we not according to the estimate of the Treasury Department a probable deficit not far in the distance confronting us, instead of the good old-fashioned Republican surplus, by which the public debt was reduced $1,500,000,000 and the annual interest upon it was reduced $100,000,000

in twenty years? The present reform Congress has already provided for the appropriation of so much money that leaders upon the other side of the House dare not allow the just obligations of the nation to be met lest our expenditures shall be so large that the purpose of the free-trade Democracy can not be accomplished. And so the reasonable pension legislation asked for by the counsel of the Grand Army of the Republic is refused because it might leave no room for the reduction of protective duties. The repeal of the limitation of the pension-arrears act is denied to those modest and brave soldiers who hesitated to ask the Government for the reward which they richly deserved because that repeal would perhaps so swell our expenditures as to give no opportunity for a successful attack upon American interests. Private-bill day is dispensed with or filibustered away, because if the claims of the nation's private creditors be considered and those that are just shall be paid, the hope of the "pro-British" Democracy to surrender our great home market to the foreigner, stop our manufactures, or reduce our workingmen to the poor condition of foreign laborers will have vanished.

The proposition of these gentlemen is twofold. It seeks to curtail our revenues so as to bankrupt our national Treasury, and at the same time to let in upon us unrestricted foreign competition which must ruin our industries and impoverish our people.

Surely what more that is harmful to us could the bitterest enemies of our country do? But if the national debt were paid, if we had a real surplus, and the phrase "reduce taxation" expressed an honest purpose instead of being uttered to cover an ulterior and unpatriotic one, could we reach the end desired through the doors of free trade? When have we ever made progress toward that end by reduction of duties? We put tea and coffee on the free-list. We thereby cut off many millions of revenue which had poured annually into the public Treasury, and which, if it had been continued, might have been applied to the reduction of our debt and interest and so lightened the burdens of taxation. But did any American citizen thereafter purchase his tea and coffee more cheaply than before? We put hides on the free-list, but who on that account has bought at a less price his boots and shoes? And do gentlemen believe that if they shall succeed in placing lumber on the free-list, thus handing over the lumber industries of Maine, Michigan, Wisconsin, and Minnesota to the Canadians, the latter having obtained a monopoly of the business will sell us their boards, timber, shingles, and clapboards upon more reasonable terms than we can obtain them from our own mills now? This would be a denial of all our past experience on the subject. Competition among our own people has been our protection against high prices. This has reduced the cost of manufactures more than 30 per cent. in the last twenty-five years.

In almost every instance where new industries have been started in this country under the encouragement of protective duties they have given to the people, within no long time after they have begun to operate, their product at a cost materially less than that at which we had before purchased similar goods from abroad; and I make the prediction that with the continuance of our present revenue system the mills of New England, leaving the manufacture of the coarser fabrics to the West and South, will, in a few years, furnish to our people, at considerably reduced prices, many grades of fine goods which are now imported from Great Britain.

WHO ASKS FOR THIS BILL?

Now, who desires the passage of the Morrison tariff bill? Where are the petitions that have come up to Congress asking for it? Who has seen them or heard of them? From what source have they been sent here? Who originated them, if they exist? Have the farmers sent them here? Does he who from his own well-tilled and fertile acres produces all the prime necessaries of life, he who gives to the world its food and to the cities their manhood, whose practical wisdom is as proverbial as his patriotism, does he petition for this legislation? Certainly no pains have been spared by the free-trader to misinform him upon the subject of protection duties and array him against them.

The Cobden Club and their Democratic pro-British allies in this country have flooded him, as they have all of us, with pamphlets and documents arguing his unfavorable condition under a protective tariff, urging him to arouse to a sense of the injustice of our American revenue system to most every one in the world and to him in particular.

But he does not make any demonstration here in the direction that our pro-British Democracy desires. He does not take their endlessly proffered doses of misinformation worth a cent. He neither frightens nor arouses against protection worth a mill. He has been accustomed to deal with facts rather than theories. He never makes a good audience for a mere doctrinaire's guesses, and he also knows that the doctrinaire always guesses, and never practically and by experience has any information at all.

Seeing, as he does, that almost everything he raises upon his land is directly protected, so that his hay, potatoes, cattle, and sheep sell for 20 per cent. more than those of his Canadian neighbor, when he looks over the price-current and discovers that protection has encouraged manufactories near his own home, which, competing with each other, have so reduced prices that they furnish him with all the goods he wishes to buy, made of our own raw material, in our own country, and by the hands of our workmen, 30 per cent. cheaper than he could buy them twenty years ago from the foreigner, then sending his purchase-money out of the country instead of retaining it at home as he now does; when he realizes that these manufactories have created for him a home market which takes almost his entire produce at a price 30 per cent. higher than he received under the low tariff of little more than a quarter of a century ago, he hesitates not to say of the free-trade Democracy as the old frontiersman said of a body of Sioux Indians whom he saw in the distance approaching on horseback, "Perhaps I do not know exactly who and what you are and what may be your purposes, but I feel mighty sure that you are no friends of mine." He has the intelligence to know that to crush out great manufacturing industry by free trade or a low tariff would not only destroy his best market, but turn out of employment thousands of men, who, being driven from their former avocations, would become his competitors upon the land.

No; the farmer is not here petitioning for a reduction of protective duties. Well, is it the laboring man who asks for this legislation? It is not he, indeed. Go into any protectionist club in the country and a large majority of those whom you will meet there will be found to be men who live by the work of their hands. It is not there that the retired capitalists, the rich dudes, the theorizing professors, and the hired emissaries of the Cobden Club are pleased to congregate. It is in the free-trade leagues, where the American workingman is not seen, that these gentlemen are to be found.

The laboring man knows that the protective tariff alone saves him from receiving no more than the wages of his foreign fellow-workman. As he would not be forced to toil for the starvation wages given to labor abroad, as he would not exchange his clean, decent home for the wretched hovels of workingmen there, his sufficient and wholesome food for the miserable pittance allowed to them, his comforts and the dignity of his position for their misery and degradation, so he will not be argued or cajoled into raising his hand to strike down the industries by which he so well and respectably lives. He knows, even if our free-trade politicians do not, that whenever he is forced to accept the pitiable wages of the foreign laborer he must accept at the same time the wretched conditions of their existence.

The gentleman from Texas [Mr. REAGAN] who calls protection robbery of the laboring men, and the gentleman from Arkansas [Mr. DUNN] who has treated us to a long, dreary waste of words upon the same subject, do not know what educated, intelligent, and industrious laboring men and women are. They have never lived among them. They have a race of laborers whom they and their ancestors have robbed of all their wages for five generations, to whom they have given neither homes nor schools but bought and sold like cattle. These are cheap laborers; cheap because recently oppressed and ignorant. Such would gentlemen make the workingmen of the North. That we mean shall not be done. The gentleman from Arkansas fears that unless we reduce the tariff and thereby reduce wages we can not compete with the wheat-growers of India. The rate of wages in India for farm laborers is 30 cents per week. Does the gentleman think it desirable to reduce wages in this country to that figure in order to save the limited advantages we have in the foreign wheat market?

When I asked him this question upon the floor of the House during his speech in favor of free ships, he said, "We must confront that position." This furnishes a key to the position held by our opponents. Their plan is to reduce the price of production by diminishing the wages of labor, and hence they march forth under the banner of "tariff for revenue only" to secure, if possible, a victory for free trade.

I do not blame the gentleman for not entertaining the same respect for labor and the same solicitude for the comfort and prosperity, the dignity and independence of the American workingmen that we do. They have bought and sold and despised labor so long that it is not strange that they should desire to cheapen it now.

Is it the merchant who petitions for this legislation? No; he is not so unwise as not to appreciate that the thrift of his occupation depends upon the ability of his customers to buy and make payment, and that a reduction of the tariff, which would reduce the people's earnings, would leave him but a lean market.

Neither the farmer, the laborer, the merchant, nor the manufacturer desires the passage of the bill which the committee have reported to the House. No one of them has petitioned for it; for each has the intelligence to see in it only ruin for himself and disaster for the whole people. Who then is it that favors legislation to abolish our protective duties? Above all others it is the British manufacturer. With the shrewdness and greed of his nation, he is pushing to recover his grasp upon the American market, which our protective tariff has, in so large measure, wrenched away from him and given to our own producers. His purchased allies in this country are aiding him to the best of their abilities in this endeavor. He has the help, too, of a lot of theorists, who know nothing practical, nothing of the cares and conflicts of business or the wants of the toiler. And not the least of all, he has upon his side the prejudices of a large portion of the South and its hostility to Northern prosperity.

This combination, using the Democratic party as its organ and instrument and desperately working for that party's success that their purpose may be accomplished, attack in detail almost every branch of

American industry. The gentleman from Arkansas and his friends want free ships. He knows, and so do they, that if his object could be gained it would utterly destroy our ship-building industry and close every American ship-yard now in existence. It would deprive the nation of the plant, equipment, and skill necessary in case of foreign war to build a navy, make us entirely dependent upon others, and perhaps place us at the mercy of our enemies. They want free fish. They would hand this New England industry over to the Canadians. It does not matter to them that the fishing fleets furnish the most reliable nursery to produce seamen to man our vessels of war.

Our free-trade Democrats say that their vocation must go, that their employment must be taken from them, and that this element of national safety and wealth shall be transferred to a foreign power. They say to Maine that her great lumber manufactories must cease to operate, that the vast amount of capital invested in them must be destroyed, and that the thousands of workmen employed in them must leave our State to escape idleness and consequent poverty. They place wool upon the free-list and leave our wool-growers no alternative but to slaughter their flocks.

With the loss of these industries, together with our cotton and woolen factories, our ship-yards and fisheries, what would this combination, this pro-British Democracy, leave for our people to do? What avenues to wealth or competency or comfortable conditions of existence would be left to us? Nothing less than the reduction of wages to the low price of foreign labor could save our industries from extinction, a reduction which would bring our working people to rags and wretchedness; and in this respect Maine presents an example of what this party has in store for all the most enterprising, industrious, and prosperous States of the country. I repeat, they attack the whole line of American avocations in which the foreigner competes with us. Our manufactures seem to loom up before their vision as gigantic enemies. The gentleman from Texas [Mr. REAGAN] says they are in a particular locality, that is, in the North; but why this demonstration of hostility against our section of the country? Do gentlemen feel that we destroyed their property in slaves, and that they would therefore retaliate by crushing our manufactures? Let them feel so no longer. It was the first shot upon Sumter, fired at the national heart, that missed its mark and killed slavery. The attack upon the national life assured the death of that iniquitous institution. The South broke the shackles of the slave in attempting to tighten them.

But our manufactures are to be no longer confined to one locality. Already extending over the West and Pacific States, they are making a rapid progress into the South, and gentlemen will have to look well to their solid free-trade column in that section of our country or they will find it shattered and themselves attacked in the rear, while their faces are turned to the North and they are directing their weapons against the land of busy hands and active, inventive brains.

If gentlemen would act wisely and patriotically they would seek rather to attain to the prosperity of those States which have availed themselves of the advantages of protection, by imitating their example, than persist in their endeavor to reduce them to what they declare to be their own deplorable condition.

You are not suffering, gentlemen, by our prosperity. A part of it is your own, for we are now one nation, and we will continue to be so, and our great manufactories, which you would use the hand of foreign cheap labor to ruin, are furnishing you with their products 30 per cent. cheaper than you once purchased abroad. Could you succeed in your purpose of destroying them, thus giving to Great Britain a monopoly of our market, do you doubt she would then charge you her old price?

FREE TRADE DURING THE CONFEDERATION.

Gentlemen lay down their free-trade proposition and discuss the constitutionality of the protective tariff as if we had never suffered the misfortunes of the one nor had a history bearing upon the other. Our forefathers experienced the full fruition of free trade during the period of the confederation. And what was it? It certainly was not such as they enjoyed, nor such as we can look back upon, with any degree of satisfaction. The war of the Revolution had acted as a protective tariff to the colonies. It had excluded the free introduction of foreign goods to their markets, and many new industries sprang up to give employment to mechanics and laborers and markets to the farmers, but at the close of the war the colonies found themselves practically without protective duties. The inflow of foreign goods was so great as to glut the markets and crush the growing industries of the Americans. Mills were shut down, factories were closed, fires went out in the forges, and mining operations ceased. Cheap goods from Europe took the money from the colonies. All industries were embraced in the general disaster. The mechanic got no employment, the laborer found no market for his toil, and the farmer could not sell his produce because the money to pay for it had gone across the Atlantic to purchase cheap foreign goods. Cattle were used for exchange, farms were sold for a song, stock upon every hand went off under the auctioneer's hammer, commerce was prostrate, and ruin was everywhere. Language has been exhausted in describing the wreck, the misery, the almost utter despair of the period from 1783 to 1789, the only almost absolute free-trade period in our history.

"The pinching shrinkage of home industries and consequent scarcity of opportunities for labor, the exhaustive drain of specie to Europe, the sore distress for lack of money, the unendurable conditions in the relation of debtor and creditor, the resentful discontent, the weakened respect for law and its tribunals, the decay of allegiance to the Government, the loss of personal confidence between man and man, the weakening of the ties of society, the disturbance, the antagonism to the constituted authorities, the insurrectionary commotions and appeals to arms in search of unnatural redress which brought the new Government and American freedom to the verge of destruction," make a not overdrawn picture of what in the present depression we hear some mutterings of and what must inevitably occur upon a wider field and with vastly more direful consequences if Great Britain, with the aid of her Democratic allies here, shall unfasten the gates that hold back the flood of her pauper-produced products that threaten to inundate our country and sweep from existence our manifold and almost countless industries.

But this free-trade disaster did one good thing. It produced the Constitution and the Union! From South Carolina to Massachusetts, from the Atlantic to the Western frontier, the people clamored for a government that should have power to regulate commerce and protect their avocations. The necessity of complying with this demand, as well as the justice of it, was readily recognized by the prominent men of that time. George Washington, James Madison, and their distinguished contemporaries earnestly exerted their great powers to bring together the colonies under a government with power to "regulate commerce," a phrase which, in the vocabulary of the time, was universally understood to include the right to levy protective duties. Indeed, this was the main purpose and controlling impulse that brought the colonies together as States under the Constitution, and the first law enacted by the new Government was one which provided for a protective tariff.

They enacted this law in compliance with the prayers of a multitude of petitions, in compliance, indeed, with the universal understanding that to protect American industries was one of the most important purposes for which the new and stronger government was to be established. In all the debates in the First Congress under the Constitution, wherein were so many members who were members of the convention that framed and adopted that great charter, while the right to regulate commerce was openly and uniformly construed to include the power to protect American industries by levying duties upon imports, while protective laws were enacted, and laws also to secure to us our coasting trade, no doubt of the constitutionality of these laws was ever expressed.

Indeed, this question was left to be raised by men of a subsequent generation, men who had nothing to do with framing the Constitution, men who in all probability would never have framed it, men who attempted to nullify it, and who inculcated into their sons doctrines that led them to attempt to destroy it. It was when the cotton-gin had been invented and slave labor was believed to have become profitable, when the South desired to import cheap goods to clothe her slaves, to discourage Northern manufacturers and make the North a purely agricultural country, so that she might obtain for her slaves cheap food, that the astute politicians of the South, including John C. Calhoun, who had been a radical protectionist, discovered that the Constitution forbade that we should levy duties upon imports except for revenue only.

It is a peculiar fact, in connection with this branch of the subject, that a tariff for revenue was not of American origin, that it came to us from Great Britain, and that our forefathers repudiated and resisted its application to the Colonies, while they never denied the right of the mother country to regulate commerce, and this right, including the power to levy protective duties upon imports, they ingrafted into the Constitution.

With the establishment of the new Government and the institution of protective duties prosperity sprang up on every hand, and the faces of the people, like the face of the country, wore a brighter and happier aspect. And so it has been during every period of protective duties in our country's history, while our periods of nearest approach to free trade have been times of disaster and distress. The history of protection is, indeed, its best champion, while the record of free trade remains to condemn it.

In 1883 we made more than $7,000,000,000 worth of goods, and paid to the men and women who were employed in their manufacture $1,500,000,000. This $7,000,000,000 was the product of our raw material and our labor. Our free-trade Democracy, could they have had their way, would have sent this money to Europe and left our resources undeveloped and our labor unemployed.

In 1884 we imported $668,000,000 worth of foreign goods, more than half of which was sold in our market in competition with goods of American manufacture. The money to pay for these goods was sent abroad. Every dollar of it should have remained here. It should have been paid to develop our own resources and to the willing hands seeking employment, and so have added to our country's wealth. The exportation of money is a direct tax upon our capital and labor. We should send abroad for nothing that we can with reasonable facility produce at home. There is but one reason for occupying a great country—that is, to develop its resources into actual wealth. The resources

of our own land are almost infinite in variety and extent. Why should we ignore them and let them lie dormant while we have an abundance of skillful labor that anxiously waits to be employed in their development?

Such a policy is cruelty to our people, and detrimental to the nation; it is as blind as the eyeless fish which are found in the sunless caverns of the earth. We must stand firm for our American revenue policy. The pro-British Democracy were never more aggressive and persistent in their attacks upon it than they are to-day. Let us be as brave and faithful in resisting them as were our forefathers in establishing the Constitution and the Union to crush the monster of free-trade, whose blighting influence upon American prosperity they had so sadly and bitterly experienced.

Our labor must not be pauperized, our manifold industries must not be sacrificed, our rich home market must not be surrendered to the foreigner. The hands of the toiler must be employed, and he must receive a just remuneration for his labor. The brain of the inventor must be stimulated by proper rewards. I have never seen wages too high. There is health to the country in the thrift of those who produce something of value. America must be for Americans, native and adopted; for those who till her soil, sail her ships, subdue her forests, develop her mines, raise her flocks and herds, build up and sustain her institutions, and turn her vast resources into means of comfort and happiness for her people.

We have before us the old question that came up so sharply during the Confederation. It is whether the American Congress shall protect Americans or make revenue laws in the interest of a foreign nation. I would reply, let us take good care of those who inhabit our own land. I know it is related that when Alexander the Great made known his purpose to build the city of Alexandria in Africa, and his people complained that he was about to establish a city which would compete with and injure his own country, he replied, "Mankind are my countrymen." It was a magnanimous reply, broader than patriotism. But we have no one so great as Alexander, and mankind are many more and have vastly greater interests to be cared for now than three hundred and twenty-five years before Christ. It would be worse than folly for us to attempt the task that Alexander so signally failed to accomplish. We can not take into our care all mankind. America must be for herself and her own, dealing fairly with all nations but surrendering her advantages to no one. Thus shall she grow strong and prosperous; thus shall she continue to be an asylum for the oppressed and a land of the free; thus shall her beneficence command the love of her people, and her justice and greatness challenge the admiration of the world.

Increase of the Naval Establishment.

SPEECH

OF

HON. PERRY BELMONT,

OF NEW YORK,

IN THE HOUSE OF REPRESENTATIVES,

Saturday, July 24, 1886,

On the bill (H. R. 6664) to increase the naval establishment.

Mr. BELMONT said:

Mr. CHAIRMAN: Although I shall vote for the substitute, I desire to say that I would gladly have supported the original bill of the Naval Committee had that committee presented it for the consideration of the House. I am earnestly in favor of any measure that will restore to the United States Navy its former efficiency, and therefore I shall vote for any proposition which looks toward its reconstruction upon principles sanctioned by modern experience and adapted to our national requirements.

So much has been said about the necessity of a navy as a precaution against war that I will claim the indulgence of the House for a few moments while I briefly recall some of the purposes to which our Navy has been and is applied in times of peace.

In the ports of Africa, South and Central America, the East and West Indies, and the islands of the Pacific it is absolutely essential for the protection of American commercial interests that our consular and diplomatic representatives should be able, if need be, to give weight to their just demands by the presence in those waters of United States ships of war. The Navy in its present condition is frequently unable to meet the requisitions made upon it by the State Department for vessels to assist consular officers at remote ports or to investigate occurrences upon which the Government might find it necessary to act. But among recent services of this kind which it has been able to render may be named the visit of the United States war steamer Lancaster to Tangiers, last year, to demand the release of two agents of Mr. William Howland, of New York, improperly held under duress; the visit of the United States war steamer Wachusett to Guayaquil, Ecuador, last year, to investigate the imprisonment of Julio Santos, a naturalized citizen of the United States, since released on the peremptory demand of the State Department; and the protection afforded American missionaries in China in January last by the United States war steamer Marion, at the request of the United States consul at Ching-Kiang through the Secretary of State.

The presence of United States men-of-war has frequently prevented threatened disturbances, which, unrepressed, might have led to serious results; and the moral influence of the neighborhood of a United States cruiser has been potent in securing justice for American citizens from those who recognize no other argument but a display of force.

The navies of the maritime powers are the police of the high seas, and every civilized nation with an ocean seaboard is in honor bound to furnish its quota for the general good. They act in concert to put down piracy, to maintain inviolate the free navigation of the ocean as the common highway of nations, and to prevent traffic condemned by general consent of civilized powers as against public morals. Some of the past achievements of the American Navy in this regard, in the suppression of the slave trade on the coast of Africa and of the piratical tribute levied by the Barbary powers in the Mediterranean, are among the most noticeable features in our early history.

Vessels of the United States Navy have often served as a refuge for American citizens in countries where war was imminent or actually in progress, and in cases of shipwreck, earthquakes, and other calamities. Hundreds of lives were saved by the presence of the American squadron at Alexandria, Egypt, in June and July, 1882. The United States man-of-war Shenandoah rendered valuable service in protecting American interests jeopardized at Mollendo, Peru, in 1885. The United States man-of-war Wachusett protected the American cable in Central America during the same year. Vessels of the United States Navy rendered humane assistance to the sufferers by the terrible earthquakes at Arica and Chios. The United States war steamer Swatara, in March, 1885, was specially dispatched to Guatemala to rescue seventy-eight destitute Americans, and the Lancaster has recently been sent to Madagascar and the Comorro Islands to rescue the crew of the American barque Surprise. The list of humanitarian services performed by our Navy for citizens of the United States abroad might be almost indefinitely extended.

The United States, by treaty obligation, is bound to maintain the free transit of the Isthmus of Panama, and has been repeatedly compelled to employ a naval force for this purpose. Whatever may be the outcome of the different plans of crossing the Isthmus, it is obvious that the United States, if it desires to carry out the obligations it has solemnly assumed, must maintain a sufficiently strong naval force to sustain the protectorate over the Isthmus it has so frequently asserted in Congress and elsewhere.

Our Navy has been conspicuously identified with geographic and hydrographic researches, and the results accomplished by its means have been of great advantage to civilization. As to ante-bellum services, I need only instance the Wilkes exploring expedition of 1839, the John Rodgers exploring expedition of 1853, the Perry expedition to Japan of the same year, and Lieutenant Maury's discoveries as to the currents of the ocean.

In more recent times, we have had effected by the instrumentality of officers of the Navy a complete survey of all the transit routes of the American Isthmus. The path of commerce has been made easier by the charting of shoals and other dangers to navigation in distant channels and harbors. Deep-sea soundings have advanced scientific knowledge and greatly simplified the work of ocean cable laying; and the chronometers and other navigating instruments of mariners all over the country have been corrected by the observations of our naval officers. The gallant part taken by the Navy in the relief of polar explorers is recent history, as is also the valuable aid rendered in many astronomical expeditions.

Our existing Navy, of twenty three commissioned vessels, is divided into five squadrons, employed as follows:

The North Atlantic squadron, consisting of the Tennessee, the Galena, the Swatara, and the Yantic, is at Portland, Me., awaiting orders. This is an obviously proper disposition, in view of the pending fisheries question.

Of the European squadron, the Kearsage and the Pensacola are at Constantinople, and the Quinnebaug has been lying off Lisbon at the request of our minister to Portugal and at the suggestion of the State Department.

The Omaha, the Ossipee, and the Alert, of the Asiatic squadron, under orders from the Navy Department, are at Yokohama, Japan, for court-martial purposes; the Marion is at Foo Chow, and the Monocacy at Canton, China, for the protection of American interests, at the request of United States consuls; the Palos has been detailed to convey our minister to the Corea; and the Trenton is on her way home under orders, touching at several ports to display the flag and to inquire after American interests.

The seven vessels composing the Pacific squadron are stationed as

follows: The Hartford and Adams are at Payta, Peru, where it will readily be believed from recent events there is reason for their presence; the Shenandoah is *en route* for San Francisco, stopping at ports in Central America; the Mohican is at Samoa, at the request of the State Department; the Iroquois and the Monongahela are at Callao and Coquimbo, Peru, respectively, looking after American interests; and the Pinta is at Alaska, where it has rendered valuable service to the Territorial government of that remote possession.

Of the two vessels composing the South Atlantic squadron the Lancaster is on her return from the east coast of Africa, where she went to investigate certain matters at the request of the State Department, and the Tallapoosa is off the coast of Brazil.

I am quite certain many will agree with me, Mr. Chairman, that the powers and influence of our Navy ought to be greatly extended beyond the limits thus disclosed. The United States Government is so strong in itself and so strong in the policy, from which I trust it will never deviate, of abstaining from interference with other powers, that it is not necessary for it to attempt to keep pace with cumbrous and costly experiments of other nations by the construction of floating fortresses in the disguise of ships. But it is absolutely necessary, not only for the maintenance of our international obligations, but for the protection and development of our commerce, that a serviceable navy of swift-sailing, well-armed cruisers should be established to replace the vessels that are now doing duty in foreign waters as the representatives of the naval power of the United States, and the experimental iron-plated batteries constructed during the war, which to a large extent are now unseaworthy.

We are not courting war, Mr. Chairman; we are not expecting it. All that is asked is that the American Navy may be so re-established that it will represent more adequately the power and resources of the nation.

Private Claims in Congress.

SPEECH

OF

HON. WILLIAM M. SPRINGER,

OF ILLINOIS,

IN THE HOUSE OF REPRESENTATIVES,

Wednesday, August 4, 1886.

The House having under consideration the report of the conference committee on the disagreeing votes of the two Houses on the bill for the relief of the Phœnix National Bank, of New York—

Mr. SPRINGER said:

Mr. SPEAKER: I desire to state briefly the substance of this report, and then I am sure the gentleman from Missouri [Mr. GLOVER] will not object.

In 1861 there was deposited by the Georgetown Bank, of South Carolina, in the Phœnix Bank of New York, $12,000. The Congress of the United States passed a law confiscating all such deposits in Northern banks that were owned by citizens in the Southern States. A check was presented shortly after that act was passed to the Phœnix Bank for this money, and the bank refused to pay on the ground that proceedings *in rem* had been instituted by the United States against these deposits and the money had been paid over to the United States marshal.

Soon after the close of the war the party holding the check of the Georgetown Bank brought suit against the Phœnix Bank to recover this money. The case was taken through all the courts of the State of New York and finally to the Supreme Court of the United States, which court held that the plea of the Phœnix Bank that this money had been confiscated by a proceeding *in rem* was not good, and entered a judgment against the bank compelling the bank to pay the sum of money to the private depositor. He recovered a judgment against the bank for the amount originally deposited and the interest allowed in the State of New York from the time the check was presented until the judgment was paid. The interest was paid under the judgment of the State of New York from the time the check was presented until the judgment was paid, amounting in the aggregate, the whole amount of the judgment and the costs, to the sum which is recommended to be passed.

Before the vote is taken on agreeing to this report I want to state in reference to private bills that we have been able, owing to the great pressure of public business here, to consider only a small number of the vast mass of such cases that have been brought before us during this session of Congress. There have been introduced into this House during this session 10,014 bills and 214 joint resolutions, in all 10,228. Of these 7,650 were private and 2,578 were public bills.

I call attention to the following statement showing the introduction of bills and other business of the first session of this Congress as compared with both sessions of the Forty-eighth Congress:

Forty-ninth Congress, first session:	
House bills introduced	10,017
House joint resolutions introduced	216
Total	10,233
House reports	3,475
Senate bills introduced	2,891
Senate joint resolutions introduced	83
Total	2,974
Number of public bills which became laws	183
Public joint resolutions which became laws	35
Number of private bills which became laws	752
Private joint resolutions which became laws	3
Total	973

The House has passed 95 public bills and 7 public joint resolutions; also 146 private bills and 3 private resolutions, which have not been acted upon by the Senate.

The Senate has passed 192 public bills and 7 public joint resolutions; also 325 private bills and 4 private resolutions which have not been acted upon by the House.

This statement does not include 75 House bills and 38 Senate bills which have been vetoed, and 4 Senate bills and 4 House bills and 1 House joint resolution (surplus) which have been pocketed; also 1 House joint resolution (distribution of the Official Register) which was not received by the President until five minutes after 4 o'clock on the day of adjournment.

Forty-eighth Congress, first session:	
Bills introduced	7,509
Joint resolutions	287
Total	7,796
Forty-eighth Congress, second session:	
Bills introduced	781
Joint resolutions	60
Total	841
Total number of bills and joint resolutions introduced in Forty-eighth Congress	8,637
Reports made to Forty-eighth Congress:	
First session	2,165
Second session	532
Total	2,697

During the first session of the last Congress there were introduced in both Houses 7,509 bills and 287 joint resolutions, making a total of 7,796; being an increase of 5,411 bills at this session over the whole number introduced during the first session of the last Congress. The cost of the printing of these bills, private and public, at this session has amounted to over $80,000.

Mr. Henry H. Smith, the Journal Clerk of the House of Representatives, in an article published in the Chicago Current of December 5, 1885, thus referred to the subject of private legislation in Congress:

The present membership of the House is three hundred and thirty-three—including eight Delegates—an increase of two hundred and sixty members since the First Congress. The steady increase of business in the House has kept pace with the increase of representation, and will undoubtedly continue. "From the organization of the Government," said Speaker CARLISLE in his valedictory address on the 4th of March last, "to the Twenty-fifth Congress, a period of fifty years, there were introduced into the House 8,777 bills and joint resolutions, while during the Forty-eighth Congress there were 8,637, almost as many as during that half century."

Referring to the fact that the House was compelled to leave unfinished so large a percentage of its business, he said:

"It is evident that unless some constitutional or legislative provision can be adopted which will relieve Congress from the consideration of all, or at least a large part, of the local and private measures which now occupy the time of the committees and fill the calendars of the two Houses, the percentage of business left undisposed of at each adjournment must continue to increase from year to year. It is not reasonable to suppose that an alteration of the Constitution can be effected, but it is worthy of serious consideration whether a general law might not be enacted which would authorize the several Executive Departments and the courts of justice to hear and determine these matters under such rules and regulations as would amply protect the interests of the Government and at the same time secure to the citizen a more expeditious and appropriate remedy than is now afforded. If this shall be done, time and opportunity will be afforded here for the deliberate consideration of those great public questions which the Constitution has committed to the legislative department, and something might be done to promote the welfare of the whole people without neglecting the special interests of any."

Of the 8,637 bills introduced in the last Congress of the House 6,329 were of a private character, and an examination of the journals shows that about 70 per cent. of these bills have been introduced in former Congresses, and that fully 40 per cent. have at various times been favorably reported. As 1,848 copies of each bill are printed, the cost alone is a very considereble item, approximating $100,000 a Congress. The following table shows that, in spite of the steady increase in the number of bills introduced in Congress, the relative number which be-

came laws have steadily fallen off, with the exception of the last two Congresses, when a very unusual number of private pension bills were passed:

Congress.	Bills.	Acts.	Per cent.
Thirty-eighth	1,608	515	31
Thirty-ninth	2,358	619	26
Fortieth	3,723	769	21
Forty-first	5,314	772	14½
Forty-second	5,943	1,015	17
Forty-third	6,435	856	13
Forty-fourth	6,230	712	11
Forty-fifth	8,736	742	8½
Forty-sixth	10,067	450	4½
Forty-seventh	10,704	772	7
Forty-eighth	11,441	966	8

Of the 966 bills which became laws in the last Congress 682—nearly two-thirds—were of a private character, of which 588 were pension bills. Urgent recommendations have been made by Presidents Grant, Hayes, and Arthur in their annual messages to Congress for legislation that would relieve both Congress and the Departments from the burden of a large class of private claims, but, beyond the passage of the "Bowman bill"—which affords but slight relief—nothing has been done.

I call the attention of the House to these facts for this reason, that our present system of dealing with private bills is a denial of justice to the claimants and ought to be abandoned at once. I hope the time is not far distant when Congress will see fit to establish some tribunal by which all who have claims against the United States can go into a court of justice and have those claims adjudicated in accordance with the rules provided in the courts.

In 1874 the subject began to attract the serious attention of Congress and the country. At that time Mr. John W. Forney, who had large experience in Congressional legislation, was the editor of the Washington Chronicle, a newspaper published in this city. I ask attention to an editorial which appeared in that paper at that time, as follows:

We call attention to an article printed in the Chronicle this morning from the pen of an able and experienced member of Congress on the subject of the proper disposition of private claims pending before the two Houses, which is well worth careful perusal on the part of his fellow-members.

It was not our purpose in the article to which our honorable friend refers to censure the members generally for inattention to this branch of their public duty. No doubt it now receives an equitable share of the time of the hard-working members, of whom the writer is known to be one of the most indefatigable. It is to be regretted that all do not, perhaps can not, work with the same degree of effectiveness. The capable and industrious ought not, certainly, to be condemned on account of the incapacity or indolence of others of their associates.

And it is a truth, that the most capable Senators and Representatives of experience will heartily indorse, that a committee of Congress is, in many respects, an unfit and unsafe place for the adjudication of such causes, unfit because the members of committees will not attend and give their attention to the business. The whole work, consequently, devolves on a few persons, who can not carefully examine all the cases of this description sent to them for investigation. And the small part which is reported can not, as the writer shows, secure the deliberate consideration of the House and Senate, so that the bulk of the work performed by the committees is not finally acted on by the Congress to which it is submitted, and must be abandoned by the claimants, or continue to be presented from Congress to Congress, constantly accumulating in magnitude.

It is an unfit place, because an adverse decision does not necessarily terminate the application of the claimant for redress. He is almost certain to attribute his defeat to the stupidity or inattention of committeemen, rather than the badness of his cause. And if not broken down in his finances he is almost certain to return in person or by agent, or through the interposition of his Representative or Senator, year after year, with the hope of better luck. Hence, it has become a sort of axiom at the national capital that no claim presented to Congress can ever be effectually disposed of except by its payment, while an adverse decision by a court after a full hearing would end it forever.

A committee of Congress is an unfit tribunal, because the testimony submitted is nearly always *ex parte* and in favor of the applicants for relief, no one being interested who has facilities for taking testimony in favor of the Government. This, being well known to Senators and Representatives, has induced a habit with many of systematically voting against all private claims, however just they may appear on their face and well supported by evidence, believing that the Government side has not been fully represented.

It would, therefore, be far better for honest and meritorious claimants, as well as for the Government, to have all the claims referred to a court properly constituted—a course which appears to the committees of Congress to possess intrinsic merits.

With the exception of what is known as the Bowman act nothing has been done to relieve Congress from the burden of private legislation. The Bowman act is practically inoperative, owing to the fact that no claims can be considered under it which are barred by the statute of limitations. An effort has been made at this session to enlarge the provisions of that act, and also to afford other relief to claimants. The Committee on Claims of this House has reported a bill (H. R. 5314), which remains unreached on the Calendar, "conferring jurisdiction upon the Court of Claims to investigate private and domestic claims and demands, other than war claims, against the United States." The Committee on the Judiciary has reported a bill (H. R. 6974) "to provide for the bringing of suits against the United States," and the Senate passed a bill (S. 2643) supplemental to the Bowman act, which is now pending before the Committee on Claims of this House. Without anticipating the action of the committee I would suggest that the Senate bill referred to be amended by incorporating the provisions of the two House bills just mentioned. The amended bill would then be as follows:

A bill supplemental to an act approved March 3, 1883, entitled "An act to afford assistance and relief to Congress and the Executive Departments in the investigation of claims and demands against the Government."

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That whenever any bill shall be pending in either House of Congress providing for the payment of a claim against the United States, legal or equitable, or for a grant, gift, or bounty to any person, the House in which such bill is pending may refer the same to the Court of Claims, who shall proceed with the same in accordance with the provisions of the act approved March 3, 1883, entitled "An act to afford assistance and relief to Congress and the Executive Departments in the investigation of claims and demands against the Government," and report to such House the facts in the case and the amount, where the same can be liquidated, including any facts bearing upon the question whether there has been delay or laches in presenting such claim or applying for such grant, gift, or bounty, and any facts bearing upon the question whether the bar of any statute of limitation should be removed, or which shall be claimed to excuse the claimant for not having resorted to any established legal remedy.

Amend the said Senate bill by adding thereto the following as additional sections, taken from House Claims Committee bill:

SEC. 2. That at the adjournment of each Congress, all bills relating to private and domestic claims and demands, against the United States, which may be pending in either House of Congress or before any committee of either House, shall, by the Secretary of the Senate and the Clerk of the House, respectively, be referred to the Court of Claims, together with all papers relating thereto, as hereinbefore provided; and all such claims and demands shall be investigated by the court as provided by law. The Secretary of the Senate and the Clerk of the House shall enter in the Journals of the respective Houses, and in the CONGRESSIONAL RECORD, a statement showing what bills have been so transferred.

SEC. 3. That after the passage of this act neither House of Congress shall consider or entertain, for any purpose other than that of referring the same to some judicial tribunal or commission under existing law, any private or domestic claim or demand against the United States which involves the investigation of facts, until such facts shall have been investigated by such judicial tribunal or commission and the findings of facts reported to Congress.

SEC. 4. That it shall be the duty of the Attorney-General, or his assistants under his direction, to appear for the defense and protection of the United States in all cases which may be transmitted to the Court of Claims under this act, or the act to which this is an amendment.

SEC. 5. That reports of the Court of Claims to Congress under this act, and the act to which this is an amendment, if not finally acted upon during the session at which they are reported, shall be continued from session to session and from Congress to Congress until the same shall be finally acted upon.

Also add the following sections, taken from the House Judiciary Committee bill:

SEC. 6. That the Court of Claims shall have jurisdiction to hear and determine the following matters:

First. All claims founded upon the Constitution of the United States, or any law of Congress, or any regulation of an Executive Department, or upon contract, expressed or implied, with the Government of the United States, or for damages, liquidated or unliquidated, in respect of which claims the party would be entitled to redress against the United States either in a court of law, equity, or admiralty if the United States were suable, and of all other claims which may be referred to it by either House of Congress.

Second. All set-offs, counter-claims for damages, whether liquidated or unliquidated, or other demands whatsoever on the part of the Government of the United States against any person making claim against the Government in said court: *Provided*, That no suit against the Government of the United States shall be allowed under this act unless the same shall have been brought within six years after the right accrued for which the claim is made.

SEC. 7. That the circuit and district courts of the United States shall have concurrent jurisdiction, as to all matters named in the preceding section, with the Court of Claims, where the amount of the claim shall not exceed the sum of $10,000 in money value.

SEC. 8. That the jurisdiction of the respective courts of the United States proceeding under this act shall be governed by the provisions of statutes now in force, in so far as the same are found applicable and not inconsistent with the provisions of this act; and the course of procedure shall be in accordance with the established rules of said respective courts, and of such additions and modifications thereof as said courts may adopt.

SEC. 9. That the plaintiff in any suit brought under the provisions of the seventh section of this act shall file a petition, duly verified, with the clerk of the respective court having jurisdiction of the case, and in the district where the plaintiff resides or where the cause of action arose. Such petition shall set forth the full name and residence of the plaintiff, the nature of his claim, and a succinct statement of the facts upon which the claim is based, the money or other thing claimed or the damages sought to be recovered, and praying the court for a judgment or decree upon the facts and law.

SEC. 10. That the plaintiff shall cause a copy of his petition filed under the preceding section to be served upon the district attorney of the United States in the district wherein suit is brought, and shall mail a copy of the same, by registered letter, to the Attorney-General of the United States, and shall thereupon cause to be filed with the clerk of the court wherein suit is instituted an affidavit of such service and the mailing of such letter. It shall be the duty of the district attorney upon whom service of petition is made as aforesaid to appear and defend the interests of the Government in the suit, and within sixty days after the service of petition upon him, unless the time should be extended by order of the court made in the case, to file a plea, answer, or demurrer on the part of the Government, and to file a notice of any counter-claim, set-off, claim for damages, or other demand or defense whatsoever of the Government in the premises; and the issue shall be tried in accordance with the ordinary rules of the court governing the trial of like issues in other causes: *Provided*, That should the district attorney neglect or refuse to file a plea, answer, demurrer, or defense as required, the plaintiff may proceed with the case under such rules as the court may adopt in the premises; but the plaintiff shall not have judgment or decree for his claim, or any part thereof, except on satisfactory evidence.

SEC. 11. That all issues of fact arising in suits at law prosecuted under the seventh section of this act shall be tried by a jury, unless a trial by jury is expressly waived by the parties to the suit or their attorneys. After verdict has been rendered in the suit at law in the district or circuit courts of the United States, it shall be the duty of the court to cause a written opinion to be filed therein setting forth the specific findings by the court or jury on the facts alleged in the petition, and the conclusions of the court upon all questions of law involved in the case, and to render judgment thereon. If the suit be in equity or admiralty the court shall proceed with the same according to the rules of such courts.

SEC. 12. That in the trial of any suit brought under any of the provisions of this act, no person shall be excluded as a witness because he is a party to or interested in said suit; and any plaintiff or party in interest may be examined as a witness on the part of the Government.

Sections 1079 and 1080 of the Revised Statutes are hereby repealed.

SEC. 13. That the plaintiff or the United States, in any suit brought under the provisions of this act, shall have the same rights of appeal or writ of error as are now reserved in the statutes of the United States in that behalf made, and upon the conditions and limitations therein contained. The modes of procedure in claiming and perfecting an appeal or writ of error shall conform in all respects, and as near as may be, to the statutes and rules of court governing appeals and writs of error in like causes.

SEC. 14. That when the findings of fact and the law applicable thereto have been filed in any cause as provided in section 11 of this act, and the judgment or decree is adverse to the Government, it shall be the duty of the district attorney

to transmit to the Attorney-General of the United States certified copies of all the papers filed in the cause, with a transcript of the testimony taken, the written findings of the court, and his written opinion as to the legality and justice of the verdict or finding; whereupon the Attorney-General shall determine and direct whether an appeal or writ of error shall be taken or not; and when so directed the district attorney shall cause an appeal or writ of error to be perfected in accordance with the terms of the statutes and rules of practice governing the same: *Provided*, That no appeal or writ of error shall be allowed after six months from the judgment or decree in such suit. From the date of such final judgment or decree interest shall be computed thereon, at the rate of 4 per cent., until the time when an appropriation is made for the payment of the judgment or decree.

SEC. 15. That the Attorney-General shall report to Congress, and at the beginning of each session of Congress, the suits under this act in which a final judgment or decree has been found adverse to the Government, giving the date of each, with a statement of the costs taxed in each case.

SEC. 16. That whenever there shall be pending before the Department of State a claim in behalf of any alien against the United States, founded on or growing out of any treaty with a foreign power or any international obligation, the Secretary of State may, with the consent of the representative of the government of such alien, refer such claim to the Court of Claims, which shall thereupon have jurisdiction to hear and determine the same upon the principles of justice and international law, and to render such judgment as those principles shall require. From any such judgment either party may appeal to the Supreme Court in the manner provided by law in other cases of appeal from the Court of Claims.

SEC. 17. That when any claim or matter may be pending in any of the Executive Departments which involves controverted questions of fact or law, the head of such Department, with the consent of the claimant, may transmit the same, with the vouchers, papers, proofs, and documents pertaining thereto, to said Court of Claims, and the same shall be there proceeded in under such rules as the court may adopt. When the facts and conclusions of law shall have been found, the court shall enter judgment thereon, and shall report its findings and judgment to the Department by which it was transmitted.

SEC. 18. That in every case which shall come before the Court of Claims under the provisions of an act entitled "An act to afford assistance and relief to Congress and the Executive Departments in the investigation of claims and demands against the Government," approved March 3, 1883, if it shall appear to the satisfaction of the court, upon the facts established, that it has jurisdiction to render judgment or decree thereon under existing laws or under the provisions of this act, it shall proceed to do so, and report its proceedings therein to either House of Congress or to the Department by which the same was referred to said court.

SEC. 19. That the costs of court in proceedings under this act shall be taxed in favor of the prevailing party therein, unless otherwise specially ordered by the court. For failure to prosecute a petition filed under this act with reasonable diligence, the same may be dismissed, in the discretion of the court.

SEC. 20. That all laws and parts of laws inconsistent with this act are hereby repealed.

Amend the title so that it will read as follows:

A bill to provide for the investigation and adjudication of claims and demands against the United States, and for other purposes.

At the next session of Congress I hope something will be done to relieve Congress from the increasing burden of private legislation. I ask the attention of members to this subject during the approaching vacation, and I will print as a part of my remarks the bills mentioned in order that the whole subject may be considered.

One step further than the proposed legislation will be required before Congress will obtain perfect relief from the accumulating mass of private bills. That step is a constitutional amendment prohibiting special legislation by Congress. I have proposed such an amendment, and it is now pending before the Committee on the Judiciary of this House. It is as follows:

ARTICLE —.

SECTION 1. The legislative power of the United States is limited to the enactment of laws general in their application and effect to all sections and persons within the jurisdiction of this Constitution. All local, private, or special enactments, hereby prohibited, shall be null and void.

SEC. 2. All claims against the United States shall be adjudicated and determined by such tribunal or tribunals as Congress may establish for that purpose.

If Congress will pass the bills referred to and submit a constitutional amendment to the States for ratification, I believe it will receive prompt approval. No greater reform could be inaugurated. The immense mass of bills now pending, and the great increase of such from session to session, admonish us that some new departure is demanded. The whole subject of private legislation must be driven from the Halls of Congress, and the people's representatives must be relieved of this burden and be permitted to devote their whole time and attention to subjects of national importance.

Labor Arbitration.

SPEECH
OF
HON. JOSEPH WHEELER,
OF ALABAMA,
IN THE HOUSE OF REPRESENTATIVES,

Wednesday, March 31, 1886,

On the bill (H. R. 7479) to provide for the speedy settlement of controversies and differences between common carriers engaged in interstate and Territorial transportation of property and passengers and their employés.

Mr. WHEELER said:

Mr. CHAIRMAN: One hundred and ten years ago, thirteen years before the Constitution was framed, a body of men endowed with virtue, honor, and courage met together, and to attain a grand purpose they pledged to each other their lives, their fortunes, and their sacred honor. These men said:

We hold these truths to be self-evident: that all men are created equal; that they are endowed by their Creator with certain inalienable rights; that among these are life, liberty, and the pursuit of happiness; that to secure these rights governments were formed among men, deriving their just powers from the consent of the governed.

These words came from the pen of Thomas Jefferson, the great apostle of the democratic idea of man's right and ability to govern himself. The Government, based upon such principles, founded by Jefferson and men like him, baptized in blood, cradled in adversity, and reared in suffering, has become a great democratic republic, a refuge for the oppressed of all the world, a government of the people, by the people, and for the people; and for eighty-seven years the laws under which they lived were but the reflections of the wishes of those who were governed by those laws, willingly submitting to their restraints and gratefully accepting their blessings. During all that period we had peace, happiness and prosperity. Since the termination of that blessed era we have had a different form of government. The laws have not been for the benefit of the many; they have been for the advantage of the few, and for the few of specially favored sections. They have tended to make the few very rich and the many very poor; and to-day we see the victims of this unjust legislation banded together demanding what they believe to be justly due them.

For twenty-five years the tendency of all legislation has been against those who labor and in favor of the capital which employs labor. And now the laboring masses come and ask for a law which they hope will ameliorate their condition. In 1830 Daniel Webster condensed the principles of the Declaration of Independence in these words:

The people's government, made for the people, made by the people, and answerable to the people.

In 1850 Theodore Parker adopted the idea in these words:

A government of all the people, by all the people, for all the people.

In 1863 the sentiment was repeated by Mr. Lincoln, who said:

And that government of the people, by the people, for the people, shall not perish from the earth.

And in 1886 let the American Congress emphasize this grand idea by the enactment with unanimous voice of laws to protect the rights of the people.

I believe, Mr. Chairman, that if not another law was enacted for fifty years to protect capital that it would be amply protected by the laws that now stand on the statute-books, and in that belief I shall advocate all measures which are calculated to improve the condition of those who work.

For this reason I shall vote for the bill now being considered, although it is not all that I desire; and for the same reason I support and advocate the bill to aid our common schools, and thus place at least the rudiments of education within the reach of the children of the laboring people of our country.

Coast Defenses and their Armament.

SPEECH
OF
HON. JOSEPH R. HAWLEY,
OF CONNECTICUT,
IN THE SENATE OF THE UNITED STATES,

Wednesday, July 28, 1886.

The Senate, as in Committee of the Whole, having under consideration the bill (H. R. 9798) making appropriations for fortifications and other works of defense, and for the armament thereof, for the fiscal year ending June 30, 1887, and for other purposes—

Mr. HAWLEY said:

Mr. PRESIDENT: I may as well say what I have to say upon the general question now, before the adoption of the pending amendment, for the second and fifth sections are both involved in one discussion. I hesitate a good deal about occupying the time of the Senate, because it is late in the session; but the Senator from Massachusetts [Mr. DAWES] and the Senator from Kentucky [Mr. BECK] have both very kindly suggested that I should in some measure repeat what I said before the committee. If it will help to inform or convince anybody here or help the measure elsewhere, I shall be very glad to do it. The danger is that having read and heard so much about it, and being so much interested in it, I may talk too long. I shall be willing to be checked, and I shall esteem any question by a Senator as a favor.

I hardly need to lay down the proposition, for everybody already knows it, that the country is to-day practically defenseless. Though it be so now, there was a time when this country was with the foremost of all the world in the excellence and the relative cost of its coast defenses and their armament. I do not know how we lived just after the Revolution until about 1816, but between 1816 and 1826 there was adopted a general system of coast defense. Under it we built strong granite and brick forts, some with walls 8 feet thick, but thinning down to 5 feet near the embrasures, and good against the guns of those days. The system was excellent, and for the numbers and wealth of the people it was costly. There is not one of those old fortifications, which

were formerly a matter of great national pride, that is anything more than a death-trap to-day when faced by the best modern weapons.

We have been considering our coast and naval defenses ever since the war of the rebellion. It is fortunate for us now that we have done nothing. Divine Providence has saved us from any serious controversy with any foreign nation. In the mean time all the great nations of Europe, whose several existences depend upon their keeping up with the highest state of the military art, have been spending money by the millions and tens and scores, yes, and hundreds of millions, constantly following the progress of invention, abandoning to-day what cost them millions yesterday, and jumping to-morrow to meet the newest idea. All they have expended is as fully for our benefit as if it had been spent by ourselves. They have reached a stage in the arts of offense and defense that no longer excuses delay on our part. They have come to certain conclusions with regard to works of defense and the armament thereof which are not likely to be very seriously, at any rate essentially, disturbed within a few years. Whatever we build or make now can not very soon become useless.

There have been a surprising number of investigations and reports upon these subjects. Every year our engineer officers have pointed out to us the defenseless condition of the coast and have asked us to do this, that, and the other thing, now in forts and then in guns. On the whole, I am very glad we did not follow their advice. At the time it would have been apparently wise to do it, but we now see that we have no need for what we should have done a few years ago.

Within a few years there have been several boards especially appointed and instructed to inquire into the general question. They have inquired so thoroughly and are so nearly agreed that I must briefly notice them. And first, the "armament board," so-called, organized under the appropriation act of July 5, 1884, and instructed thereby—

To cause the various calibers, lengths of bore, greatest and least admissible weights of guns for each caliber, together with the greatest and least weights of projectiles for each caliber, of all the various calibers required for the service, together with the number of each caliber of gun required, to be determined, and to make the same known to manufacturers of ordnance on their application and to report the same to Congress at its next session for its approval.

On that board were such officers as Col. Thomas G. Baylor, Ordnance Department; Col. James C. Duane, Corps of Engineers; Maj. William R. King, Corps of Engineers; Maj. George W. McKee, Ordnance Department; Capt. Charles Shaler, Ordnance Department, and Capt. Edward Maguire, Corps of Engineers. Their report was transmitted to Congress December 5, 1884, and printed as Senate Executive Document No. 5, Forty-eighth Congress, second session.

That very able board after full deliberation recommended a series of heavy steel guns, beginning with 8 inches caliber running up to 16 inches caliber and adding thereto a 12-inch mortar. They gave an estimate of the weights of guns, charges, projectiles, velocity, penetration, &c.

The tabular statements are as follows:

TABLE I.

Caliber.	Number of each caliber.	Length of—			Weight of gun.	Weight of projectile.	Weight of charge.
		Bore.		Gun.			
Inches.		*Calibers.*	*Feet.*	*Feet.*	*Tons.*	*Pounds.*	*Pounds.*
8	125	30	20	21.5	13	285	100
10	226	30	25	26.875	25	575	225
12	306	32.06	32.06	35.11	48	804	456
16	50	31.74	41.67	45.93	107.77	1,631.4	650.4
12″ mortar	512	9	9	10.33	13.06	610	52

TABLE II.

Caliber.	Velocity of projectile in feet per second at—							
	Muzzle.	1,000 yards.	2,000 yards.	3,000 yards.	4,000 yards.	5,000 yards.	6,000 yards.	7,000 yards.
Inches.								
8	1,800	1,639	1,488	1,350	1,230	1,129	1,049	955
10	1,900	1,767.7	1,642.2	1,523.3	1,410.9	1,308.5	1,217.5	1,138.6
12	1,853	1,731.2	1,641	1,508.5	1,405.1	1,310.2	1,225.5	1,150.9
16	1,985	1,865	1,750	1,641	1,536.9	1,437.1	1,344.5	1,260.6

TABLE III.

Caliber.	Penetration of wrought iron in inches at—							
	Muzzle.	1,000 yards.	2,000 yards.	3,000 yards.	4,000 yards.	5,000 yards.	6,000 yards.	7,000 yards.
Inches.								
8	16.43	14.97	13.63	12.40	11.31	10.39	9.67	9.19
10	21.08	20.38	18.96	17.61	16.33	15.16	14.13	13.23
12	24.24	22.68	21.21	19.81	18.47	17.25	16.15	15.18
16	30.49	28.96	26.95	25.29	23.71	22.20	20.74	19.52

The following table will give an approximate estimate of the rough-bored, turned, and tempered steel required for the guns recommended by the armament board:

Kind.	Caliber.	Number.	Weight, each.*	Total weight.
	Inches.		*Tons.*	*Tons.*
Breech-loading rifles	8	125	14	1,750
Do	10	226	31	7,006
Do	12	306	53	16,218
Do	16	50	131	6,550
Rifled mortars	12	512	14	7,168
Total				38,692

*Approximate.

These figures do not vary materially from what would be adopted now by the best judges.

The next board is known as the gun foundry board of which we have heard so much, which was organized under the naval appropriation bill of March 3, 1883, making appropriations for the fiscal year ending June 30, 1884, and for other purposes, being authorized by the following paragraph of that act:

That the President of the United States is hereby authorized and requested to select from the Army and Navy six officers, who shall constitute a board for the purpose of examining and reporting to Congress which of the navy-yards or arsenals owned by the Government has the best location and is best adapted for the establishment of a Government foundry, or what other method, if any, should be adopted for the manufacture of heavy ordnance adapted to modern warfare, for the use of the Army and Navy of the United States, the cost of all buildings, tools, and implements necessary to be used in the manufacture thereof, including the cost of a steam-hammer or apparatus of sufficient size for the manufacture of the heaviest guns; and that the President is further requested to report to Congress the finding of said board at as early a date as possible: *Provided*, That no extra compensation shall be paid the officers serving on the board hereby created.

This covers a wider ground, but includes the question we are now discussing. Let me remark incidentally that they were required to report upon a steam-hammer. Such has been the progress in Europe that now we do not care to know what a steam-hammer would cost excepting the comparatively smaller size for certain minor purposes. A better process has superseded the great steam-hammer for most of the heavy work in ordnance.

The board was composed of the following persons: Commodore Edward Simpson, United States Navy, president; Capt. Edmund O. Matthews, United States Navy; Col. Thomas G. Baylor, Ordnance Department, United States Army; Lieut. Col. Henry L. Abbot, Engineer Corps, United States Army; Maj. Samuel S. Elder, Second Artillery, United States Army; Lieut. William H. Jaques, United States Navy, secretary—all able men and specially informed upon these subjects. That report was made to the President February 16, 1884, and is known as House Executive Document No. 97, first session Forty-eighth Congress. A supplementary report was made December 20, 1884. They were printed together as Senate Executive Document No. 13, second session Forty-eighth Congress.

The conclusions of the gun foundry board have been read to you. They are substantially that we are to make hereafter only forged steel guns of the general classes described; that we ought to enter upon their manufacture immediately; that the great manufacturers of the country stand ready to reproduce the best and heaviest guns known to the world upon satisfactory contracts being offered, and that these great manufacturers will not begin the work, will not invest the large sum necessary for new machinery depending upon an annual appropriation from Congress. Nor would any sensible business man do it.

They say if the Government wishes to contract for a large number of tons of forged steel to be furnished during a series of years the manufacturers will assent. They will agree to spend from five hundred thousand to a million and a half of dollars in putting down a plant; the Government to inspect the work, inspect at every stage, and to pay only as satisfactory forgings are delivered.

The gun foundry board further reported that this work ought to be divided between private parties and the Government as the most economical way, as almost the only certain way of getting it. Suppose the Government undertakes the whole operation of gun-building. Then it must have that which it never has had—enormous furnaces and forges, processes for the manufacture of this steel from the ore up to the heavy forgings, and also the plant necessary to what is called a gun-factory, but which will be better understood if I call it the finishing and assembling factory, where the rough-bored, rough-turned, and tempered parts are finished to the finest gauge, and shrunk together or assembled as the finished gun. The Government will not undertake that; it ought not to; it would be an expensive and unnecessary work. It is far better that all the preliminary stages of manufacture should be conducted by private parties.

The gun foundry board reported that this work ought to be so divided. It would be matter for congratulation if there were private establishments like those of Krupp, at Essen, Germany, and Schneider & Co., at Le Creusot, in France, and Sir William G. Armstrong, Mitchell

& Co., Newcastle-upon-Tyne, in England, who would take a contract for a whole gun, delivering the perfected work; but there is nobody to do it. There is nobody prepared to undertake either the first or second stage, and citizens undertaking the whole would have to contemplate very heavy investments.

They would rather divide it; they would rather take a lighter risk. So that on the whole every board that has discussed this subject has come to the conclusion that we can very easily get from private establishments rough parts of a great variety of guns such as we need, and bring them together in a Government establishment, there finishing, assembling, and perfecting the guns. Furthermore, it is considered that it is better on the whole that there should be two of these factories, or finishing establishments. The needs of the Army and Navy are somewhat different. Too great a variety of guns is undesirable, and it is to be hoped that those who administer this law will see that as far as possible the Army and Navy use the same calibers, and that the same gauges are used upon the same calibers, so that projectiles of the same nominal caliber may be interchangeable between land and naval forces. Circumstances not infrequently make this a convenience and economy.

The guns we have now in forts and arsenals are of nine varieties and require thirty-three kinds of ammunition. The naval great guns are of twenty-two varieties, and they require thirty kinds of ammunition. But it must be admitted that there will be sometimes a necessity for a gun of a special caliber for the Navy. It might do to establish for the Army an arbitrary scale of 6-inch, 8-inch, 10-inch, 12-inch, and 16-inch guns for siege and coast-defense purposes, but in constructing vessels of unusual types and for peculiar duties the Navy may prefer an intermediate caliber—for example, a 9-inch gun. The difference between an 8 and a 10 inch gun is greater than most persons would suppose at first thought. They are to each other as the cubes of their like dimensions—as 512 is to 1,000. Sometimes the Navy may wish to build a shorter gun than others of the same caliber, and make it stouter, that it may stand quicker powder and exhibit equal power.

On the whole, therefore, without dwelling further on these details, it seems wise that the Army and Navy should each have a gun factory. There will then be a wholesome rivalry between the two arms of which the Government will get the benefit.

By and by, as the private manufacturers become strong and confident and are dealt with on sound business principles, they may be willing to undertake also the work of finishing guns. If so, the Government's gun factories may be allowed to wear out and disappear, but it will probably be deemed good policy to maintain them to serve as a partial check upon private firms and as schools of experiment and instruction.

Returning from my divergence, I must not omit another board whose conclusions are worthy of the very highest respect. The board on fortifications was organized under act of Congress approved March 3, 1885, making appropriations for fortifications, &c., for the fiscal year ending June 30, 1886, being authorized by the following paragraph of that act:

And the President of the United States shall appoint a board of which the Secretary of War shall be a member and president, to be composed of two officers of the Engineer Corps, two from the Ordnance Corps, two officers of the line of the Navy, and two civilians, which board shall examine and report at what ports fortifications or other defenses are most urgently required, the character and kind of defenses best adapted for each, with reference to armament, the utilization of torpedoes, mines, or other defensive appliances; and for the necessary and proper expenses of said board and for the compensation of the two civilians at $10 per day while so employed in the discharge of said duty the sum of $40,000, to be immediately available, is hereby appropriated; and the report of said board shall be transmitted to Congress by the Secretary of War.

The board was composed of the following-named persons: Hon. William C. Endicott, Secretary of War, president; Brig. Gen. Stephen V. Benét, Chief of Ordnance; Brig. Gen. John Newton, Chief of Engineers; Lieut. Col. Henry L. Abbot, Corps of Engineers; Capt. Charles S. Smith, Ordnance Department; Commander W. T. Sampson, United States Navy; Commander Caspar F. Goodrich, United States Navy; Mr. Joseph Morgan, jr., of Pennsylvania; Mr. Erastus Corning, of New York.

Mr. Morgan is connected with the Cambria Iron Works, and Mr. Corning is an eminent manufacturer. Their report was transmitted to Congress by the Secretary of War January 23, 1886, and it was ordered to be printed by the House of Representatives January 26, 1886, as House Executive Document No. 49, Forty-ninth Congress, first session.

That board was divided into subcommittees, each taking up an important branch of the subject. The conclusions of the joint report, which I hold before me, are precisely such as I have stated of the other boards and such as were arrived at by the Senate select committee, namely, that we are to have hereafter the forged steel, built-up, breech-loading rifle-gun. Moreover, they say that we are to have along the shore near the mouths of the great harbors iron or steel clad turrets similar to those put upon monitors, in which shall be put the very greatest guns; that after those there may come other guns, lighter guns, to be placed *en barbette*—that is to say, in the open air—and protected there by heavy masonry or plates of iron or steel, and the steel will undoubtedly be ultimately adopted.

Harbor defenses will consist of heavy ships outside; within them torpedo vessels of various sizes; next, the heavy fortifications I have noted; and lastly, a thorough system of torpedo defense. This will consist, first, of the class technically known as mines—that is, globular cases of iron, containing explosive material, anchored in the channels at suitable distances from the surface of the water and connected by wire with electric batteries on shore, and exploded either by contact with ships passing over them or by a touch of the operator; secondly, of movable and governable torpedoes sent out from the shore; thirdly, of the stations of the torpedo corps, protected by armor and guarded by artillery of the lighter classes and by machine-guns against the enemy's attempts to reach the operators or disable the torpedoes by cutting the wires or otherwise.

At present we are dealing only with the heavy armament of the fortifications. The fortification board in that report selected a number of the harbors that specially needed defense, and named the number and kind of guns that were required there. The pending bill, if amended as proposed by the Committee on Appropriations, will be precisely in line with that report.

Immediately following it came the report of the select committee appointed by the Senate, of which I had the honor to be a member and chairman. That committee examined a large number of the leading manufacturers of steel in the United States. It visited many of their establishments. Through a subcommittee it visited establishments upon the Pacific coast.

Another subcommittee had the great pleasure of entering and examining, as a special favor, the most advanced establishments in England. The sum and conclusion are in general harmony with those of every board that has reported and with those of the leading nations of Europe.

So far as they relate to securing heavy ordnance they are followed in the amendments before us. Permit me to give those conclusions in full, from Senate Report No. 9, submitted February 8, 1886:

(1) The United States is metallurgically independent for all purposes of warfare.

(2) The manufacture of iron and steel for peaceful purposes has kept pace with the foremost science and skill of the world. For steel-making, the casting capacity is ample, but the heavy forging and finishing of guns and armor will require new and costly plants.

(3) The machinery and machine-tools of the navy-yard are sufficient for the building of engines, but much of it is obsolete and no longer economical; the means of building iron or steel ships are lacking; one yard has a good plant of limited capacity for finishing steel guns, and has done some good work.

(4) As a partial check upon private builders and as a resource in case of necessity, some ships should be built in navy-yards, the parts to be furnished by private foundries. Ships in general should be built by private contract, and private yards are capable of doing the work. The uncertain nature of repairs is such that some Government yards should be kept ready to make them.

(5) Armor plate and engines should be obtained wholly from private manufacturers.

6. The costly experiments of twenty-five years have reached a stage which justifies certain conclusions. Guns should be made of open-hearth steel, forged, breech-loading, chambered, of calibers ranging from 5 to 16 inches, of lengths ranging from 30 to 35 calibers. Armor and projectiles should be made of forged steel. The hydraulic forging press produces better results than the steam-hammer, costs much less, and should be used for Government work. Ships should be constructed of steel, but certain minor classes may be composite of steel and wood.

7. The manufacture of guns suitable for ships and coast defense should be divided between private foundries and Government shops; the former providing the forged and tempered parts, and the latter finishing those parts and assembling them.

8. The Government should establish two factories for machine-finishing and assembling guns. The weight of opinion among Army and Navy experts and prominent manufacturers of heavy work in steel decidedly indicates the Washington navy-yard and the Watervliet Arsenal as the best sites for such factories. When the determination to contract for heavy guns shall have been reached, the localities for finishing them can easily be determined.

9. All needed private capital is ready for cheerful co-operation with the Government in whatever it may require.

10. Proposals for armor and guns should require such quantities and extend over such a series of years as to justify private persons in securing the best plant. Payments should be made only for completed work, and only the guaranteed bids of persons having capital and experience should be considered.

Respectfully submitted.

J. R. HAWLEY, *Chairman.*
N. W. ALDRICH.
W. J. SEWELL.
J. T. MORGAN.
M. C. BUTLER.

These conclusions of your select committee were reached after a year and a half of investigation, calling before it the best manufacturers and the scientific men best qualified to judge. In the first place, it is said that "the United States is metallurgically independent for all purposes of warfare." The question was asked during the debate here as to whether we in reality could make steel of the proper kind and quality. Mr. Swank, vice-president of the American Iron and Steel Association, on page 261 of this report, says:

If the question were asked whether this country could, if required, supply from within its own borders all of the iron ore needed in every branch of its iron and steel industries, including the manufacture of the finer kinds of crucible steel, the answer might unhesitatingly be made in the affirmative. We can make as good iron for crucible steel as the Swedes do if we would only be as painstaking as they are. We have ores in great abundance for the manufacture of Bessemer steel by the original, or acid, process, which is the only process for the manufacture of this kind of steel that now exists in this country, if we except one unsatisfactory experiment that has recently been made with the Thomas-Gilchrist, or basic, process, and one establishment for the manufacture of steel by the Clapp-Griffiths process.

Mr. Fritz, of the Bethlehem Steel Works, and other able men coincided with him. I will not read at length. Mr. Fritz, who is eminent in his calling, was asked—

The CHAIRMAN. Is there any reason why the steel manufacturers of the United States should not be restricted to the use of home material?

Mr. FRITZ. There are several reasons for not restricting the manufacturer to home ores; an important reason being the purer quality of many of the foreign ores, which insures a higher grade and better quality of steel.

This bill requires that these heavy guns shall be made entirely of American products. I hope that will not be construed to compel a manufacturer to use only American ores throughout. I wish the expression were out. The forging, the building, is to be done in this country. All the great plant is to be here. If the manufacturer can by mixing certain qualities of Cuban or Mediterranean ore more easily make the gun-steel, let him do so. If foreign governments should forbid and prevent our bringing in any ore, on the breaking out of hostilities or the threatening of hostilities, we can resort to our own ores and do the whole work here. Take it altogether, we are better equipped than any other nation, because we can produce our own ferro-manganese and all other things necessary in the making of steel; indeed, we export now something of ferro-manganese to Great Britain, which has it not. Great Britain could not make a single steel gun of the quality she has now if she were required to make it all out of her own material, nor could Germany, nor any of the European nations, except perhaps Sweden, and I am not sure as to that. I suppose she may, however, because she furnishes a certain quality of ore that all seem to prefer for certain valuable purposes.

Mr. Fritz was asked by the chairman:

Why do steel manufacturers import foreign material?

Referring to the ferro-manganese.

Mr. FRITZ. Because they can feel more certain of obtaining a high quality of product within the necessary limits of cost.

The CHAIRMAN. Can any works in the United States (with present plant) produce any grade of steel that would probably be called for by Government specifications for guns and armor equal, metallurgically, to foreign?

Mr. FRITZ. Several works in the United States are capable of supplying steel equal metallurgically to the foreign steel.

The CHAIRMAN. Under existing conditions what will be the additional cost of such steel as compared with the foreign of the same quality, laid down in the United States, duty free?

Mr. FRITZ. About the difference in the price of labor.

So I would not forbid the Bethlehem works, the Cambria works, or any of them, to take an ounce of foreign ore. They could get along without it if that were a necessity, but they will produce more easily and economically by mixing. They have been in the habit of sprinkling in a certain degree of the foreign ore chiefly because it is deficient in phosphorous and other irreducible and hostile elements—the constant vexation of the steel-maker.

Now, sir, in response to suggestions from preceding speakers, a word as to the processes of making steel guns. In my judgment, which simply accepts the judgment of the world's scientific and practical leaders, the day of cast-iron guns of any description whatever is gone forever. The largest and most effective guns can not be made of cast-iron with safety. If you undertake to make a 60 or 70 ton cast-iron gun you will fail a large number of times in the casting and an additional large number of times in the firing tests. I am opposed to any further tinkering in making hybrid guns, cast-iron guns lined with steel, or cast-iron guns hooped with steel.

I myself have seen the result of the experiments made during the war in combining cast-iron and wrought-iron in the famous Parrott gun, which was good in its day, an advance in its time, of great service to us on many occasions, but it was unreliable. There were two metals that were not homogeneous. There was the cast-iron that had its own different crystallization, its planes of weakness, resulting from irregularities of form. It was attempted to strengthen it by a good wrought-iron band around the breech. I have seen two one-hundred pound Parrotts go all to pieces, wrought-iron band and all, under my own eyes in the siege of Charleston. So many of them broke in firing on Fort Fisher that, if I recollect aright, orders were given to stop using them.

Why can not some heavy cast-iron guns be utilized is a question often asked. Why not line them with steel tubes and make them breech-loaders? One reason is that so cheaply do we make steel now under the new processes that it is better to make a new gun for the same money. Another reason is that the old cast-iron guns were made for using a quick powder. They were short and the charge of powder was small. We have by improvements in powder raised the charge of the 15-inch guns from some 35 pounds of the old quick powder up to 120, or 130, or 140 pounds of the slower burning powder. The improvement in powder has been as great as that in the manufacture of steel or the form of the gun.

It results that by making a longer gun of steel the slow-burning powder has time for complete combustion, expending its full and due force upon the projectiles and giving it an enormous velocity and an enormous energy. The term "energy" is equivalent to what is popularly called crushing force. The force of the 16-inch steel gun weighing from 105 or 115 pounds is said approximately, for illustration, to be equivalent to taking a column of steel 16 inches in diameter and 1 mile high and letting it drop 33 feet. That helps to give a conception of what is meant by over 50,000 tons of foot-energy or crushing effect. Cast-iron will not stand these strains. Cast-iron guns of the requisite length, say 47 feet, and weighing 110 tons, rifled to carry a 2,000-pounds projectile simply, can not be physically or economically successful.

Innumerable costly experiments, vastly improving powder and steel, and marvelously reducing the cost and increasing the quality of steel especially, and testing all known kinds of guns, powder, projectiles, and armor, have led to the total abandonment of cast-iron for guns in any form. We are told to the contrary by gentlemen of worth, experience, and sincerity, but they are surely belated and mistaken.

Let me describe briefly, because the Senate Committee on Appropriations did me the honor to be interested in this matter and to suggest that I should repeat some of these things here which assisted them in framing the pending amendments—let me describe hastily what I saw, and what very few persons outside of the art have ever seen in Europe, of the improvements in Sir Joseph Whitworth's works in Manchester, England, to which Lieutenant-Commander Chadwick and Lieutenant Jaques of the Navy and myself were kindly admitted.

I saw 30 tons of boiling steel put into a vertical cylinder, perhaps 40 inches in diameter. A piston with a gradually increasing pressure, running up in thirty-five minutes to 6 tons per square inch, was thrust upon that boiling column, and out from the sides darted fine jets of blue burning gas. The pressure was shortly reduced to 3,000 pounds. When the cylinder is so far cooled that contraction no longer goes on the pressure was removed. There is found in its interior little, comparatively, of the honey-combing usually shown in large masses of iron or steel casting. A metallic casting can not be made wholly without it.

The metal cools from and contracts toward the outside, leaving within, apparently, empty spaces. My Southern friends, familiar with the operations of casting bullets for the old-fashioned rifles, will find in each bullet, if they pare it down carefully, a little hole the size of a pin-head. Whitworth's process of fluid compression reduces the honey-combing to a minimum, and leaves no large mass of porous and refuse metal at the top of the column, as other methods must. In the ordinary method of casting, this matter, technically called "sinking-head," is from 25 to 33 per cent. of the whole mass.

When the column of steel I have described—40 inches in diameter, and, I roughly estimate, 15 feet long—is bored out, taking away the honey-combs, it leaves a cylinder of steel of better quality for its cost than any other process gives.

But that is not all. The steel manufacturers of England, led by the necessities of their government and the high rewards it offered to improve the treatment of masses of steel far heavier than ordinary trade requires, have vastly improved and enlarged the machinery of hydraulic forging. I saw in the Whitworth shops a cylindrical ingot of steel 42 inches in diameter and 92 inches (7 feet 8 inches) long, weighing 16 tons, taken easily from the glowing furnace and carried quickly and gently to the forge, where one end was laid upon an anvil between two uprights, a frame of strong pillars and cross-beams. Close above the white and sparkling metal hung a hammer-head adjustable to the bulk of the metal to be forged. The face of the ram that bears upon the steel was, perhaps, 2 feet long and 8 inches wide. Its longer dimension coincided with the axis of the steel cylinder. Near by stood a lad to control the ordinary levers or throttle bars by which steam or hydraulic power is applied. For his guidance there hung a dial, marked as the clock-face is, and with an index that indicated precisely the travel of the ram, upward and downward.

The lad pulled the lever, the hammer went down gracefully and silently, with a pressure of 3,000 tons, six or eight inches into the cylinder, and the mass of 16 tons gave way, spread and flowed from end to end as dough gives way under the fist of the baker. After each successive pressure the cylinder was revolved a few degrees by hydraulic power to be ready for the next, as the blacksmith turns the rod with his left hand for successive strokes of the hammer. There was but a few seconds interval between the pressures, the work being conducted more rapidly than with the heavy steam-hammer. In one heat more than half the cylinder was drawn down into a solid steel shaft 20 inches in diameter and 17 feet long. Ingots of 30, 40, or 60 tons weight can be forged by this machine. The gross weight of the tube, the heaviest forging for the 16-inch gun, is 46 tons.

The gun-foundry board, after witnessing similar work, declared that "as to the treatment of metal after casting, there can be no doubt of the superiority of the system adopted by Sir Joseph Whitworth over that of all other manufacturers in the world." The British admiralty require that the propellers, shafting, and the working barrels of all the cylinders shall be made of Whitworth's fluid-compressed steel, and that the cranks shall be made of the same or of Vicker's steel. Hotchkiss, the famous American builder of small steel guns for France, Germany, and England, would have none but Whitworth's steel.

The previous method of treating masses for guns and armor, and still in use in other establishments, is by the steam-hammer. The largest in the world is in the works of Schneider & Co., Creuzot, France. The hammer weighs 100 tons and has a fall of 16.4 feet. The anvil-block is 18.4 feet high and weighs 720 tons, the largest piece of it weighing 120 tons. The cost of such a structure in the United States would probably be half a million dollars. Its work is obviously inferior to hydraulic forging, and the gun-foundry board's estimate cost of the hydraulic forge is $150,000. It does not require an expert to decide that

the steel produced by the lathe is more suitable for heavy guns. After witnessing its work one would as soon use a hammer to work dough as to work steel.

There is nothing done in the United States to justify American manufacturers in introducing the costly processes used in England for guns and armor, but leading firms and corporations stand ready and eager to contract to reproduce the plants here. There is not the slightest doubt that the moment they should begin to do so they would begin to improve the machines, processes, and products, and doubtless also we could again lead the world in heavy guns, as we did in former times, under the instruction of Bomford, Dahlgren, and Rodman.

Enough about that; nor will I dwell further upon the condition of our forts except to tell you what is to be proven as easily as a simple statement of accounts that there are a dozen nations in the world that can sail straight into New York Harbor to-day in spite of anything and all things we have there, anchor in the lower bay within a mile of the Battery, and put that entire city under contribution, and it can be done within a fortnight, it can be done within less time than that, from the day of threatened hostilities.

Halifax, a splendid English port and a coaling station, may well be a rendezvous of British supplies at any time, and is within thirty-one hours from Portland. Bermuda is but a few more hours from New York or from Hampton Roads. Havana, a rallying point for the Spanish navy, is forty-five hours from New Orleans. So these nations have their great coaling depots, and their naval stations, ten days or twelve days' sail from home and from thirty-one to seventy-two hours from our absolutely defenseless ports.

We have been living along and living along. The Divine Providence has taken care of us as He is said to take care of children and fools and drunkards. "It is the unexpected that happens" is an old saying, but it is truer in war than in anything else. The list of the wars of one hundred years shows that most of them have come suddenly. It is the policy of attacking nations to let them so come.

There are two thousand millions of destructible property in New York city within the reach of the first-class ships of England. What is to prevent her levying upon it if the two nations should resort to war, which God forbid. In eight of the great seaports of the country there are four billions and a half ($4,500,000,000) of taxable, ascertained, returned property, destructible property of all descriptions, within reach of foreign guns that may come within reach of them any day without asking us a question or receiving a serious check.

Are we to go on in this way? If so, unless the history of nations hereafter shall be altogether different from what it has been heretofore, there will some time come to us a day of humiliation. It is not living as men of common-sense, courage, and patriotism ought to live.

I do not complain of the delay, because it is useless, and, thank God, we have not lost honor by it. What is of less consequence, we have not lost money by it. We have saved the cost of twenty years of experiment; longer delay is inexcusable. While this bill does not contain all I wish nor all that is indispensable; while it does not provide for torpedoes, forts, gun platforms and carriages, and heavy armor for casemates and turrets, yet it is so much of a step that I am thankful for it and take courage. It does provide for the manufacture of 10,000 tons of the parts of heavy steel guns and for the beginning of the work here of finishing them, and if we do thus much we shall not stop with it.

As we stand here to-day, we must go and beg of busy English and German and French manufacturers to give us the steel plate for our monitors, to give us the steel plate for the vessels authorized one year ago, and to give us the heavy, rough parts for the steel guns those ships will need; to give us also the steel armor-plate and the rough gun-forgings for the ships that we are to order this afternoon, I hope, in the bill just reported from the Naval Committee. Yet foreign makers can not be depended on. They may contract to furnish it. They may get the work half or quite done, and their governments may say to them: "The relations between us and the United States are changed; send them no munitions of war."

Such things have frequently happened. Great Britain has frequently put her hand upon her home manufacturers and said: "Hold those ships and guns; we will take them ourselves."

If we must make such contracts abroad, we must continue to live at the mercy of strangers, live defenseless as to our seacoasts.

Let us begin. The people want this done. There is no doubt about that. I am amazed, at seeing the anxiety of the American politician and legislator to discover what is politic and what is popular, that they have not discovered that we can not do a better thing to obtain the good-will of the nation and at the same time sincerely serve our country than to begin a well-judged, even if necessarily expensive system of coast defense. The cost is a fraction only proportionately of what it was in 1830 and 1840 for the fortifications that we then had the courage to undertake.

Shall I say that there are some aspects of the situation that are not altogether reassuring? I will say frankly what they are, and I am glad I have the attention of some of my friends on the other side. I am not going to discuss party politics; but is not this true that I am about to say, that a considerable portion of this country was engaged for a number of years in not only denouncing but in bitterly fighting the Government of the United States? That true, and there is scarcely anything short of the Divine miracles that equals the wonder of the forgetfulness that has largely come over us as to the resentments of it and the reconciliations that have followed. Our Southern Democratic friends and our friends, late confederates in arms, all say, "We would stand by the old flag; we would give our lives for it in any war with any foreign power; we would show whether we are Americans or not." So they would, I doubt not; but has the long habit of a party out of power, and so terribly out of power as to be fighting the Government—has that long habit of complaint concerning the Federal Government entirely been overcome? Are we all yet indeed Americans? Has the Democratic party become Americanized as it ought to have been, as it will be, as it is becoming, I hope?

With what favor are these propositions received? How have they come begging at the doors of Congress year after year? Why should there be any party disagreement about these questions? Will you, my Democratic friends, look at the history of Democratic administrations and Democratic Secretaries of the Navy and see what a nationality and what a national spirit we had during those twenty years before the war, when the Democratic party, largely a Southern party, almost wholly controlled this Government? We had possible war with Spain; we had a war with Mexico; we did not know where or whither politics might drift us. The institution of slavery was a great national interest as you then regarded it—one to be defended and extended. It was a prime element in our relations with Mexico and Spain and in the jealousy with which England was regarded. So we made the best Navy in many respects in the world before the war. See the Wabash and the Minnesota and their sister ships, and there is nothing more stately or finer on the water now. The modern art of ship-building for war at sea has given us hideous and clumsy black monsters terrible for destruction. Nothing in them approaches the beauty of the old Wabash as she lies now a veteran on the retired-list. With her twenty-six 9-inch guns upon a side and pivot-rifles fore and aft, I saw her delivering her fire at Port Royal, and no more beautiful picture ever greeted the eyes of man—if one could forget the dreadful meaning of her work.

Our Government tried to get the best in all things. The Rodman and Dahlgren ideas of gun-building were ours, an advance from all that was previously known of cast-iron guns. The building, sailing, and arming of our ships was of the best. But when we were suddenly put in the face of new problems in the beginning of the war, see with what ingenuity the people on both sides directed themselves to the tasks. The little fight between the Monitor and the Merrimac revolutionized the navies of the world. I have a pamphlet issued soon after by an eminent English engineer, acknowledging the demonstration, and entitled "England without a Navy."

We invite gentlemen without reference to party to take into consideration the serious character of these propositions before us. Let us agree that we will wisely and prudently vote to renew and rejuvenate our Navy and our coast defenses in accordance with the highest demands of modern science and art. Five or ten millions a year will do it in a few years.

The bills 623 and 624, which I had the honor to report by direction of the Committee on Coast Defenses, cover the ground under discussion more thoroughly; but as their passage this session, or even their consideration this session, is out of the question, our only hope lies in the two pending sections reported by the Committee on Appropriations as amendments to the regular annual fortifications bill. As that bill comes to us it appropriates the beggarly sum of $100,000 for the protection, preservation, and repair of fortifications and works of defense—hardly enough to keep the grass cut and check the weather's destructive work. It gives $50,000 to continue the sea-wall around Governor's Island; $20,000 to continue torpedo experiments, and $500,000 "for the armament of seacoast fortifications, including the procurement of steel forgings for heavy guns, for guns, carriages, projectiles, fuses, powder, implements, and materials, which shall all be of American production, their trial and proof, and the testing of improvements of the same and all necessary expenses incident thereto."

Fifty thousand dollars is reappropriated to finish the cast-iron guns contracted for with the South Boston Iron Works, and sixty to a hundred thousand dollars for cast-iron mortars.

The pretense of authorizing the expenditure of a fraction of $500,000 to buy steel forgings for heavy guns which must be of American production is wretched. The plant necessary to begin the work of heavy forging would cost not less than $800,000, and no manufacturer would make the investment save under a contract for several millions, running through a series of years.

I insert in my remarks the committee's proposed substitute for the second section, which I have quoted:

For the purchase, manufacture, and erection of the necessary tools and machinery for the finishing and assembling of heavy ordnance at the Frankfort arsenal, Philadelphia, Pa.; for gun-carriages, projectiles, fuses, powder, implements, and materials for the trial and proof of such ordnance, and to complete the two 10-inch breech-loading steel guns now under fabrication, their trial and proof, and all necessary expenses incident thereto, including compensation of draughtsman on gun construction, $400,000, to be available until expended.

And I also give section 5 in full:

SEC. 5. That the Secretary of War and the Secretary of the Navy be, and

hereby are, authorized jointly to make contracts with responsible steel-manufacturers, after suitable advertisements, to continue not less than thirty days, in newspapers most likely to reach the manufacturers addressed, for the supply of rough-bored, rough-turned, and tempered steel in forms suitable for heavy ordnance adapted to modern warfare, for Army and Navy purposes, in quantity not to exceed 10,000 gross tons, in quality and dimensions conforming to specifications, subject to inspection and tests at each stage of manufacture and including all the parts of each caliber specified: *Provided*, That no money shall be expended except for steel accepted and delivered; and each bidder shall contract to deliver yearly a specified quantity of each caliber, the time of delivery of the smaller calibers to commence at the expiration of not more than eighteen months and the largest calibers at the expiration of not more than three years from the date of the execution of the contract; and all the forgings shall be of American product and manufactured in the United States; and one-half of the material purchased under this provision shall be for the use of the War Department, and one-half for the use of the Navy Department, in the armament of ships heretofore or hereafter authorized by Congress; and for the purposes of the foregoing provision the sum of $6,000,000 is hereby appropriated, to be available during six years from the date of the execution of the contract.

Six million dollars is to be available for six years, the payments to be made upon the delivery of inspected goods. The first payment would not be required under eighteen months. The average payments would be, say, a million and a quarter a year. Not much for an assured beginning of a great patriotic work.

Let me as strengthening and fortifying what I have said here read a few words from a most distinguished gentleman. As in duty bound by his political creed, a Republican must dissent from certain opinions of Hon. Samuel J. Tilden, but no statesman of the country has made so terse, compact, vigorous, manly, and patriotic statement of truth and duty as he has in a letter which I have lately had the honor to receive from him. I give the following extract from his letter of June 9, 1886:

> The apathy of Congress on this subject would be incredible if it did not confront us. It contrasts with the rivalry which is so conspicuous to insist on our taking a high tone toward foreign nations on every occasion of difference between them and us. It contrasts also with the favor which is shown to schemes of prodigality and schemes to waste the public resources on things known to be absolutely useless.
>
> Among the people the desire for liberal appropriations toward the means of public defense is well nigh unanimous. I am well informed as to the popular feeling from the circumstance that more than seven hundred newspapers from all parts of the country, and representing all political parties, containing expressions upon the subject, have been sent to me.
>
> Very truly, yours,
>
> S. J. TILDEN.

I have not the slightest doubt that those newspapers represent the real sentiment of the American people, and that nothing we can do will on the whole be received with more popular favor than the work proposed in this bill of beginning to be ready to defend ourselves.