

## PUBLIC BILLS AND RESOLUTIONS.

Under clause 3 of Rule XXII, bills and resolutions of the following titles were introduced, and severally referred as follows:

By Mr. STOCKDALE: A bill (H. R. 4245) to amend an act pertaining to the United States courts in the State of Mississippi—to the Committee on the Judiciary.

By Mr. DEARMOND: A bill (H. R. 4246) to enable each State and Territory, according to population, to select its quota of the employes required in the departmental classified service of the United States at the seat of government—to the Committee on Reform in the Civil Service.

By Mr. BLAIR: A bill (H. R. 4247) to amend an act entitled "An act to incorporate the Washington and Arlington Railway Company of the District of Columbia"—to the Committee on the District of Columbia.

By Mr. DOCKERY: A bill (H. R. 4248) to amend section 3709 of the Revised Statutes, relating to contracts for supplies in the Departments at Washington—to the Committee on Interstate and Foreign Commerce.

By Mr. COMPTON: A bill (H. R. 4249) for the relief of supervisors of the Tenth Census—to the Committee on Claims.

By Mr. BELL of Texas: A bill (H. R. 4250) to be entitled an act to provide for the retirement of national-bank bills and the substitution of United States notes in lieu thereof—to the Committee on Banking and Currency.

By Mr. HICKS: A bill (H. R. 4251) to prevent annulling or suspension of pensions except for fraud or perjury—to the Committee on Invalid Pensions.

By Mr. HEARD (by request): A bill (H. R. 4261) to amend an act to punish false swearing before trial boards of the Metropolitan police force and fire department of the District of Columbia, and for other purposes—to the Committee on the District of Columbia.

By Mr. OATES: A bill (H. R. 4262) relative to recognizances, stipulations, bonds, and undertakings, and to allow certain corporations to be accepted as surety thereon—to the Committee on the Judiciary.

Also, a bill (H. R. 4263) to authorize the Chief Justice of the Supreme Court to appoint a librarian for the law library, and for other purposes—to the Committee on the Judiciary.

By Mr. POST: A bill (H. R. 4264) to provide for the free delivery and collection of mails in rural or farming communities—to the Committee on the Post-Office and Post-Roads.

By Mr. COOMBS: A resolution requesting the Committee on Ways and Means to report a tariff bill upon a basis therein named—to the Committee on Ways and Means.

By Mr. MCRAE: A resolution asking for the naming of a day for the consideration of the bill (H. R. 119) to protect public forest reservations—to the Committee on Rules.

By Mr. SPRINGER: A resolution to authorize the Committee on Banking and Currency to sit during vacation—to the Committee on Banking and Currency.

## PRIVATE BILLS, ETC.

Under clause 1 of Rule XXII, private bills of the following titles were presented and referred as follows:

By Mr. BELTZHOVER (by request): A bill (H. R. 4252) for the relief of the legal representatives of Henry W. Archer, deceased—to the Committee on War Claims.

By Mr. HERMANN: A bill (H. R. 4253) to pension Edwin Morgan—to the Committee on Pensions.

By Mr. HICKS: A bill (H. R. 4254) for the relief of John W. Gummo—to the Committee on War Claims.

By Mr. MCCALL: A bill (H. R. 4255) to amend the military record of John H. Lamson—to the Committee on Military Affairs.

Also, a bill (H. R. 4256) for the relief of Albert J. Pratt, administrator—to the Committee on War Claims.

By Mr. McNAGNY: A bill (H. R. 4257) for the relief of Sarah J. Ireland—to the Committee on Invalid Pensions.

By Mr. SMITH of Illinois: A bill (H. R. 4258) to restore Lieut. Samuel Howard to his proper rank—to the Committee on Military Affairs.

By Mr. TALBOTT of Maryland: A bill (H. R. 4259) for the relief of Samuel Swope—to the Committee on War Claims.

Also, a bill (H. R. 4260) for the relief of the legal representatives of Henry W. Archer, deceased—to the Committee on War Claims.

By Mr. BOATNER: A bill (H. R. 4265) for the relief of Mrs. Eliza E. Hebert—to the Committee on War Claims.

By Mr. BRODERICK: A bill (H. R. 4266) for the relief of Cassius G. Foster—to the Committee on the Judiciary.

By Mr. FUNSTON: A bill (H. R. 4267) for the relief of David C. Allen—to the Committee on War Claims.

## PETITIONS, ETC.

Under clause 1 of Rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CANNON of California: Petition of the people of Los Angeles, Cal., protesting against the extension of time for the registration of Chinese under the Geary law—to the Committee on Foreign Affairs.

By Mr. COGSWELL: Resolution of the Legislature of Massachusetts concerning the extermination of the Gypsy moth—to the Committee on Agriculture.

By Mr. ELLIS of Oregon: Petition of 69 citizens of Wasco County, Oregon, asking for the passage of an act to forfeit certain lands heretofore granted for the purpose of aiding in the construction of railroads, and for other purposes—to the Committee on the Public Lands.

By Mr. HAINES: Petition of the workmen of the Harder Knitting Company of the city of Hudson, N. Y., protesting against any changes in the present tariff law—to the Committee on Ways and Means.

By Mr. HICKS: Petition of citizens of Roaring Springs, Blair County, Pa., praying for the appointment of a commission to investigate the evils of immigration—to the Committee on Immigration and Naturalization.

By Mr. HILBORN: Resolutions of the Fruitvale Sanitary Districts, Nos. 1 and 2, favoring immediate completion of Tidal Canal in Oakland Harbor, Cal.—to the Committee on Rivers and Harbors.

By Mr. REYBURN: Petition of workmen and mechanics, residents of Philadelphia, asking Congress to refrain from modification of the tariff laws—to the Committee on Ways and Means.

## SENATE.

THURSDAY, October 26, 1893.

[Continuation of legislative proceedings of Tuesday, October 17, 1893.]

The Senate met at 11 o'clock a. m., at the expiration of the recess.

The VICE-PRESIDENT. The Senate resumes its session. The Chair lays before the Senate the unfinished business, being House bill No. 1, which will be read by title.

The SECRETARY. A bill (H. R. 1) to repeal a part of an act approved July 14, 1890, entitled: "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes."

Mr. FAULKNER. I ask unanimous consent, out of order, to present several petitions.

The VICE-PRESIDENT. The petitions will be received, if there be no objection.

## PETITIONS AND MEMORIALS.

Mr. FAULKNER presented a petition of Mount Olive Alliance, No. 546, of Jackson County, W. Va., praying for the free coinage of silver and the increase of the circulating medium to \$50 per capita, by increasing the issue of United States notes; which was ordered to lie on the table.

He also presented a petition of the Common Council of Charleston, W. Va., praying for the repeal of the so-called Sherman silver law, the repeal to carry with it a provision for the free coinage of silver; which was ordered to lie on the table.

He also presented a petition of Farmers' Alliance and Industrial Union, No. 125, of Summers County, W. Va., praying for the repeal of the so-called Sherman silver law, conditional upon the free coinage of silver; which was ordered to lie on the table.

Mr. McMILLAN. I present a memorial of the real-estate board of the Chamber of Commerce and Board of Trade of Detroit, Mich., representing all branches of trade and manufacture without regard to party affiliations, remonstrating against the policy of obstruction recently resorted to in the Senate as unpatriotic and ruinous to the business of the country, and praying that the matter be brought to a vote without further delay. I move that the memorial lie on the table.

The motion was agreed to.

The VICE-PRESIDENT presented a petition of the Deer Creek Farmers' Club, of Harford County, Md., praying for the unconditional repeal of the silver-purchasing clause of the so-called Sherman law; which was ordered to lie on the table.

He also presented a petition of sundry business men and members of the Board of Trade, of Detroit, Mich., praying for the immediate repeal of the silver-purchasing clause of the so-called Sherman law; which was ordered to lie on the table.

He also presented a petition of the Board of Trade of Mankato, Minn., praying for the immediate passage of the pending repeal bill; which was ordered to lie on the table.

Mr. SMITH presented a petition of the Board of Trade of Newark, N. J., praying for the prompt repeal of the silver-purchasing clause of the so-called Sherman law; which was ordered to lie on the table.

Mr. BERRY presented a petition of sundry citizens of Sharp's Cross Roads, Ark., and of the Independence County Farmers' Alliance Encampment of Arkansas, praying for the free coinage of silver: which was ordered to lie on the table.

Mr. TELLER. I suggest that there is no quorum of the Senate present. Let the roll be called.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Allen,	Faulkner,	McPherson,	Shoup,
Bate,	Gallinger,	Manderson,	Smith,
Berry,	Gray,	Mitchell, Wis.	Stewart,
Butler,	Hale,	Pasco,	Stockbridge,
Carey,	Harris,	Peffer,	Teller,
Daniel,	Higgins,	Perkins,	Turpie,
Davis,	Hoar,	Platt,	Vilas,
Dixon,	Irby,	Roach,	Voorhees,
Dolph,	McMillan,	Sherman,	Waithall.

The VICE-PRESIDENT. Thirty-six Senators have answered to their names. There is no quorum present. What is the pleasure of the Senate?

After a little delay, Mr. GEORGE, Mr. BLACKBURN, Mr. CULLOM, Mr. HILL, Mr. FRYE, Mr. RANSOM, Mr. COKE, Mr. MURPHY, Mr. WHITE of Louisiana, and Mr. WOLCOTT entered the Chamber and answered to their names.

The VICE-PRESIDENT (at 11 o'clock and 10 minutes a. m.). Forty-six Senators have answered to their names. A quorum is present.

Mr. RANSOM. I ask that the Senators composing the Committee on Commerce be excused from attendance, as they are engaged upon important business before the committee.

The VICE-PRESIDENT. Is there objection to the request of the Senator from North Carolina? The Chair hears none.

Mr. MANDERSON. I ask unanimous consent to transact some morning business.

The VICE-PRESIDENT. The Chair will receive it if there be no objection.

Mr. MANDERSON presented a petition of the Northwest Nebraska Annual Conference of the Methodist Episcopal Church, of Alliance, Nebr., composed of 20 ministers, and representing 1,830 church members, praying for the repeal of the so-called Geary Chinese law; which was referred to the Committee on Foreign Relations.

Mr. FRYE presented a petition of the Synod of Baltimore, Md., including 140 Presbyterian churches, praying for the appointment of a commission to inquire into the alcoholic liquor traffic; which was referred to the Committee on Education and Labor.

Mr. HARRIS. I present what purports to be a copy of resolutions passed by the Memphis Cotton Exchange in August last, which only reached me in the last three or four days. It is a petition praying for the immediate and unconditional repeal of the Sherman act. I move that it lie on the table.

The motion was agreed to.

Mr. HARRIS presented a petition of the Chamber of Commerce of Knoxville, Tenn., praying for the passage without further delay, of the bill now pending in the Senate for the unconditional repeal of the silver-purchasing clause of the so-called Sherman law; which was ordered to lie on the table.

He also presented a petition of sundry business men and wholesale houses of Nashville, Tenn., praying for the repeal of the silver-purchasing clause of the so-called Sherman law; which was ordered to lie on the table.

Mr. GORMAN. I present a petition of the ministers and elders of the Synod of Baltimore of the Presbyterian Church, forwarded to me by Rev. Edward H. Robbins, the stated clerk, praying for a modification of the Chinese exclusion law, commonly known as the Geary act. This great religious body suggests to Congress that the law ought to be modified in every interest of the country, and particularly in that of the advancement of religious teaching, which they have so much at heart.

I move that the petition lie on the table.

The motion was agreed to.

Mr. HUNTON presented the petition of Susan A. Shelby, of Washington, D. C., praying that compensation be granted her for cotton taken from her homestead at Port Gibson, Miss., during the late war; which was referred to the Committee on Claims.

#### REPORTS OF COMMITTEES.

Mr. MANDERSON, from the Committee on Indian Affairs, to whom was referred the bill (S. 475) for the relief of John Little and Hobart Williams, of Omaha, Nebr., reported it without amendment and submitted a report thereon.

He also, from the same committee, to whom was referred the bill (S. 476) for the relief of John Palmier, Pine Ridge, Shannon County, S. Dak., reported it without amendment and submitted a report thereon.

He also, from the same committee, to whom was referred the bill (S. 477) extending relief to Indian citizens, and for other purposes, reported it with amendments, and submitted a report thereon.

Mr. VEST, from the Committee on Commerce, to whom was referred the bill (H. R. 9) to transfer the Morris Island life-saving station, near Charleston, S. C., to Sullivan Island, reported it without amendment.

Mr. WHITE of Louisiana, from the Committee on Commerce, to whom was referred the bill (H. R. 3289) to authorize the New York and New Jersey Bridge Companies to construct and maintain a bridge across the Hudson River, between New York City and the State of New Jersey, reported it with amendments.

Mr. COCKRELL, from the Committee on Appropriations, to whom was referred the bill (H. R. 4177) to provide for further urgent deficiencies in the appropriations for the service of the Government for the fiscal year ending June 30, 1894, and for other purposes, reported it with amendments.

#### BILLS INTRODUCED.

Mr. HARRIS introduced a bill (S. 1129) to amend an act to punish false swearing before trial boards of the Metropolitan police force and fire department of the District of Columbia, and for other purposes; which was read twice by its title, and with the accompanying letters of the Commissioners of the District of Columbia, referred to the Committee on the District of Columbia.

He also introduced a bill (S. 1130) for the relief of Mrs. Julia Elliott, administratrix; which was read twice by its title, and referred to the Committee on Claims.

Mr. BATE (by request) introduced a bill (S. 1131) to increase the pension of Mrs. Emma Thurston; which was read twice by its title, and referred to the Committee on Pensions.

#### INDIAN RIVER CHANNEL IN FLORIDA.

Mr. QUAY submitted the following resolution; which was considered by unanimous consent, and agreed to:

*Resolved*, That the Secretary of War be directed to communicate to the Senate from information in his possession or which he may acquire, the cost of dredging a channel from the channel of the Indian River of Florida through the Negro Cut to the bar at the Indian River Inlet, of the depth of 6 feet.

#### HOUSE BILLS REFERRED.

The bill (H. R. 4242) directing the Secretary of the Interior to make certain investigations concerning consolidations of land districts in California, and for other purposes, was read twice by its title, and referred to the Committee on Public Lands.

The bill (H. R. 2650) providing for the public printing and binding and the distribution of public documents was read twice by its title.

Mr. MANDERSON. I ask that the bill be referred to the Committee on Printing, and that it be printed in form so that the bill will show in the usual type in which bills are printed the bill as it was reported to the House of Representatives and in italics the amendments that were placed on the bill by the House. It will very greatly help the consideration of the bill by the committee of the Senate if it shall be printed in that form. I ask unanimous consent that it be so printed.

The VICE-PRESIDENT. The bill will be referred to the Committee on Printing. Is there objection to printing it in the form indicated? The Chair hears none, and it will be so ordered.

#### PURCHASE OF SILVER BULLION.

The Senate, as in Committee of the Whole, resumed consideration of the bill (H. R. 1) to repeal a part of an act approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes," the pending question being on the amendment proposed by Mr. PEPPER to the substitute reported by the Committee on Finance.

Mr. TELLER. Mr. President, when I addressed the Senate last I stated that I desired to submit some remarks upon the appreciation of gold or the fall in prices of commodities. I had laid down some general propositions of monetary law that I desire to repeat in substance.

First, that the supply and demand of money determine its value, and that the amount of money in circulation determines the price of commodities. If a country has more money than the normal demand for it, prices rise, or, in other words, the money depreciates, and if a country has not enough money to meet the demand, prices fall or money appreciates. Thus we have the means of determining whether a country has money enough or not.

I think it must be admitted that the entire world is suffering from the financial depression that began in 1873 and which, with slight variations, has continued ever since. It seems to me it is very pertinent to the matter under consideration to determine what is the cause of the general financial depression throughout the world, extending through a period unknown in the history of any other financial disturbance.

William Jacobs declared in 1830 that a general financial condition of the world must be produced by a general cause. It seems to me that is a proposition so plain that it is not worth while to spend much time in discussing it. I think it may be assumed that if all the world is practically in the same condition there is some general cause operating upon the finances of the world to bring about that condition.

I desire to call the attention of the Senate to some of the statements made before the Brussels conference as to the general financial condition of the world and the cause which has led to that condition. I find on page 127 of that report, in the speech of Sir William Houldsworth, a delegate of Great Britain, the following:

1. That the depression dated from the year 1873 or thereabouts.
2. That it extended to nearly every branch of industry, including agriculture, manufactures, and mining, and that it was not confined to England, but had been experienced to a greater or less degree in all the industrial countries of the world.
3. That it appeared to be closely connected with the serious fall in general prices, which even then was most observable, though it has since been more strongly marked, resulting in the diminution—in some cases even the total loss—of profit, and consequent irregularity of employment to the wage-earners.
4. That the duration of the depression has been most unusual and abnormal.
5. That no adequate cause for this state of things was discoverable, unless it could be found in some general dislocation of values caused by currency changes, and which would be capable of affecting an area equal to that which the depression of trade covered.

I find on page 139 of the proceedings of the International Monetary Conference the speech and statement by Sir Guilford L. Molesworth, also a delegate of British India, with reference to the depression. He states:

1. That the depression which has occurred as a necessary consequence of the suspension of free coinage of silver in France was predicted, and the prediction has been fulfilled to the letter.
  2. That since 1871 the population demanding gold has quadrupled, and the foreign trade demanding gold has trebled.
  3. That the demonetization of silver for international monetary purposes in Europe has caused gold to perform, single-handed, the work previously done by gold and silver combined.
  4. That the annual supply of gold scarcely exceeds the amount required for industrial purposes.
- It follows, as necessary consequences of these facts, that with the increased demand for gold its value must rise, or, in other words, gold prices must fall.
- The judicial blindness must be great which, ignoring this strong evidence of facts, seeks an explanation in irreconcilable theories.

The same speaker, on page 143 of the report, in speaking of the depression, and the use of gold, and the new demand for gold, etc., says:

- In 1883 Mr. Williamson, M. P., called attention to the alarming manner in which the reserves of the Bank of England had diminished from our inability to maintain them, caused by the competition of foreign nations for gold.
- During the ten years ending 1889, the proportion of cash to liabilities had fallen about 20 per cent. In the year 1881 the bank reserves were £41,000,000; in 1891 they had fallen to £24,000,000.
- During the seven years, 1883-1890, the Bank of France only changed its rate of discount seven times, whilst the Bank of England changed its sixty-two times, the variations in France only amounting to 2 per cent, whilst those in England amounted to 4 per cent. Mr. Goschen, in the House of Commons, said:

"I feel a kind of shame on the occasion of two or three millions of gold being taken from this country to Brazil or any other country, it should immediately have the effect of causing a monetary alarm throughout the country."

Then the same speaker continues:

Then came the Baring failure, and our weakness was shown by having to call France to our aid. The currency of France has weathered without difficulty storms to which the Baring failure was mere child's play; for example, the Franco-Prussian war, the communistic struggle, the war indemnity, the failures of the Panama Canal, of the metal ring, and of the comptoir d'es-compte.

In contrast to this, I may quote from the speech of Mr. Goschen at Leeds his opinion on the gravity of the situation at the time of the Baring failure. On that occasion he said:

"You risked the supremacy of English credit—the transfer of the business of this country to other European countries. I can not exaggerate the immediate danger to which the country was exposed. You escaped from a catastrophe which would have affected every town, every industry; to use a common phrase, you have escaped by the skin of your teeth."

Mr. Giffen has stated that in almost every year since 1873 there has been a stringency of greater or less severity, directly traceable to or aggravated by the extraordinary demands for gold, and the difficulties of supplying them.

And, finally, we have the declaration of Mr. de Rothschild, which threatens us with a monetary panic: "The far-spreading effects of which it would be impossible to forestall."

Fortunately England, although her currency was nominally monometallic, practically enjoyed the benefits of bimetallic until 1873, except when she had to depend on gold for replenishing her bank reserves, or when she had to make large remittances of silver to India; and then she had to pay for her folly in the shape of an agio for the privilege of choice of the particular metal she might happen to require urgently. If she could have satisfied her requirements by either metal, she would not have been put to this expense. But so long as Europe, as a whole, remained practically bi-

metallic, England, in all her vagaries was kept tolerably straight by the double standard of France, which preserved the ratio of gold and silver throughout the world, until the link was broken in 1873.

I repeat, "It is gold that is sick, not silver," and unless this fact be recognized by the members of this conference it will be impossible to apply the proper remedy to the crisis which menaces us.

The same speaker, Sir Guilford L. Molesworth, says in the beginning of his speech:

GENTLEMEN: Our predecessors in the Paris monetary conferences of 1878 and 1881 were almost unanimous in the opinion that silver must be rehabilitated. They only disagreed on the method of rehabilitation. Some were of opinion that matters would right themselves, whilst others considered that the remedy could only come by reestablishing the link that had existed between gold and silver prior to 1873.

The opinion of the latter was undoubtedly correct. Matters have gone on from bad to worse, and now we are confronted by the fact that Mr. de Rothschild, the most renowned financier of the world, tells us that "if this conference were to break up without arriving at any definite result there would be a depreciation in the value of silver out of which a monetary panic would ensue, the far-spreading effects of which it would be frightful to contemplate."

Now, this state of things was clearly predicted by Ernest Seyd in 1871, when the severance of the link between gold and silver was first contemplated. His prediction has been so remarkably fulfilled that I must quote his words.

MR. HOAR. From what does the Senator quote?

MR. TELLER. I quote from Mr. Molesworth's speech, and he quotes from Mr. Seyd. I do not believe I have on my table the article from Mr. Seyd. Mr. Molesworth quotes him as follows:

It is a great mistake to suppose that the adoption of the gold valuation by other states besides England will be beneficial. It will only lead to the destruction of the monetary equilibrium hitherto existing, and cause a fall in the value of silver, from which England's trade and the Indian silver valuation will suffer more than all other interests, grievous as the general decline of prosperity all over the world will be. The strong doctrinarism existing in England as regards the gold valuation is so blind that when the time of depression sets in there will be this special feature; the economical authorities of the country will refuse to listen to the cause here foreshadowed, every possible attempt will be made to prove that the decline of commerce is due to all sorts of causes and irreconcilable matters; the workman and his strikes will be the first convenient target, then speculation and over-trading will have their turn \* \* \* Many other allegations will be made, totally irrelevant to the real issue, but satisfactory to the moralizing tendency of financial writers. The great danger of the time will be, that, among all this confusion and strife, England's supremacy in commerce and manufactures may go backwards to an extent which can not be redressed when the real cause becomes recognized and the natural remedy is applied.

I think that everybody will recognize that the condition which was predicted by Mr. Ernest Seyd in 1871 has been reached. Every excuse is given, every cause is put forth as to the present financial condition, except the right one; overproduction, over-trading, and a variety of excuses are made, when the real cause is plainly in sight. If financiers and statesmen would not shut their eyes to it. The same speaker, Mr. Molesworth, proceeds:

In fulfillment of this prediction, we find that the difficulties under which we labor have been attributed to all sorts of irreconcilable causes. It has been necessary to invent a theory that progress in manufactures, in improved transport, inventions, and banking have caused a species of economic revolution, which has created a new state in the conditions of trade and commerce differing from that which previously existed. But they overlook the fact that the alleged causes have been in active operation during the greater portion of the century (and when compared with the previous progress, they were far more pronounced during the middle of the century than at present). It is obvious, therefore, that such a revolution, if it existed, should have arisen at an earlier period, and that it should have developed gradually, instead of setting in suddenly at the exact moment when the link was broken between gold and silver. Moreover, this theory involves another irreconcilable position. It is absurd to suppose that a revolution of this character could have affected gold prices so seriously and yet should have left silver prices unaffected. Silver is the standard of value of more than half the world, yet silver prices have remained stable, whilst gold prices have fallen from 40 to 50 per cent.

I have read so much to show the general condition of the world. I want to read one other extract from the proceedings of this conference. I read from page 327, from the speech of Mr. Allard, a delegate from Belgium, a political economist known to the whole world. I am under the impression that he is a Frenchman, though he was a representative from Belgium at the conference. I shall have occasion, before I get through, to refer to him on several points. He was speaking of the excuses which are made for the present financial distress throughout the world, and the general paralysis of business which existed, and from which we have suffered for eighteen or twenty years. He says:

But we are told that if prices have fallen it is due to overproduction. Mr. Cramer-Frey has told us prices fall; that is very simple; it is because we produce too much. The honorable delegate from Switzerland is astonished that with their "juvenile ardor" I rise up against that claim.

If I should join him in telling you gravely that for twenty years all mankind had been so obstinate as to produce more than it could consume; that for twenty years, like the Danaides, the universe has produced things for which it had no need, that it would not seem serious to you; and you would be right. That is, however, the paradoxical character of the singular theory of overproduction by which our opponents would prove that our privations result from an excess of production, and that labor engenders poverty.

I think it would be better to say no more of it, since facts within our knowledge make a formal denial of that claim. The stores are everywhere empty, business suffers on all sides, and the commercial world is invaded, as all admit, by an anemic influence which threatens death.

The statistics of Mr. Sauerbeck have clearly proved that the allegation of overproduction as a cause of falling prices is absolutely false.

MR. HIGGINS. Will the Senator yield to me?

MR. TELLER. Certainly.

Mr. HIGGINS. I ask the Senator if he considers that the price of corn during the last eighteen months or two years was affected by the condition to which he refers?

Mr. TELLER. Does the Senator refer to the Indian corn, or corn in the generic form?

Mr. HIGGINS. I mean, of course, the American corn, maize; and also pork products, which, of course, are the product of the feeding of corn.

Mr. TELLER. If the Senator will repeat that question to me five minutes later, I should prefer to answer it then than now; and if I forget it, I hope the Senator will call my attention to it. I should rather proceed for awhile with what I was proposing to say, and I shall reach that later.

Mr. HIGGINS. Very well.

Mr. TELLER. The same gentleman from whose speech I was reading said:

From 1860 to 1873 the total production of the world increased each year 2.8 per cent. That was the age of California and bimetalism. Prices increased 40 per cent.

From 1873 to 1885 the production of the world increased yearly only 1.6 per cent; a decrease of nearly one-half. Prices should have increased, but on the contrary they fell 32 per cent.

This is the demonstration of Mr. Cramer-Frey's mistake in continuing to believe in overproduction, which was disproved long ago.

The truth, gentlemen, was told by Mr. Goschen, in England, in 1833: "The fall of prices comes from the rise of gold." He expressed his thought in these typical phrases: "Fortunate are they who own sovereigns, and unfortunate they who own commodities, products, and other goods."

Who are the fortunate ones of whom Mr. Goschen speaks?

The classes who receive fixed incomes in gold—owners of bonds of states, of provinces, and of cities, and of long-term leases.

And who are the unfortunate? The producers, the workers, and, in the first rank, the farmers.

Fixed incomes increase in value, products fall, and annuitants are enriched at the expense of labor. This is the truth, and thence arise, gentlemen, these conflicts of labor and capital in England and elsewhere, struggles against a flagrant injustice which has been brought about between so many people; and this is a serious, profound, lamentable, but, above all, a formidable revolution, of which we feel every day the disastrous consequences.

You have heard Mr. de Rothschild, in the introduction to his proposal, praise the fall of prices, in which he perceived the happiness of the laboring classes.

History, as well as what takes place in our day, protest, it seems to me, against this judgment.

I lay down this proposition as one of the axioms of monetary law which will not be disputed, that prices are determined by the amount of money in circulation in a country.

I desire to read from the distinguished economist, Prof. Émile de Laveleye:

All economists agree that price depends on the relations existing between the mass of articles to be exchanged and the amount of credit or metallic means of exchange, due allowance being made for the rapidity of circulation of these means.

I do not know that anybody disputes that proposition. Whoever does so, must do so in the face of the very best authorities of the world.

I find in the *Fortnightly Review* of September, 1893, an article by W. H. Grenfell, of England, entitled "Mr. Gladstone and the Currency;" and Mr. Grenfell states this to be the proper theory:

The quantitative theory of money is agreed to by all economic writers. If you increase the amount of money in a community, other things remaining the same, prices rise; if you decrease it, prices fall. The evils attendant upon a decreasing money volume have been so fully treated of by the old economists that it is unnecessary to enlarge upon them here. The nations of the world are decreasing the metallic money volume of the world by demonetizing silver. The effects of this can not but be most baneful, and it is England which, owing to her large trade with silver-using countries, and the large debts owed to her by silver-using countries, will be the greatest sufferer.

I read again from the speech of Mr. Allard, a delegate from Belgium:

To render money more scarce or more abundant is to make all prices rise or fall. An increase of money, as in 1850, corresponds to the growth, the progress, the life of society; monetary contraction will always lead to an anemia, sickness, and crisis.

If you diminish the quantity of blood in the human body will it not bring about anemia? Diminish the amount of money in the social body and that diminution will bring about a crisis.

What we demand is that the blood taken from us twenty years ago be given back. History proves that we are right. When America was discovered, towards 1500, all prices rose in Europe in the exact measure of the quantity of money which arrived from the New World.

Now I will answer the question of the Senator from Delaware.

Mr. HIGGINS. My question was whether or no the Senator did not recognize that, while wheat had been low during the past few years, the price of Indian corn had remained high, and that of all pork products, which are the result of the feeding of corn, was also high, and that cotton during a portion of the past twelve months was very high? I ask whether or no those facts are not contradictory of his theory that it is the demonetization of silver which has reduced the price, but that, on the contrary, it was controlled by the application of the law of supply and demand?

Mr. TELLER. I recognize the fact that the law of supply and demand as to commodities is always in force, and while there is a general law operating upon all commodities with a downward trend, there may be special conditions and special circumstances such as for a time suspend the operations of that law. You can not lay down a general proposition which will hit every case in

law, in economics, or in morals. There are always modifying influences. If the tendency is downwards through a long course of years, if it exists when the supply is great and if it exists when the supply is small, then it is safe to say that the ordinary law of supply and demand on that particular commodity did not affect the price, but that it was affected by some general law greater than that.

Now, I come to corn in this country. For a number of years the price of corn was low. We raised from 2,100,000,000 to 2,200,000,000 bushels of corn, and we consumed almost the entire crop at home. Suddenly the corn crop fell off nearly 500,000,000 bushels, or about one-fourth, while the population had steadily increased, and while our export of corn has never been large, yet it was then larger than it had ever been before. So here was a short crop of corn and a large demand, a demand that could not well be changed, because the American people are a corn-consuming people. We produce the great bulk of maize that is produced in the world, and we consume all of it, except from 3 to 5 per cent of the product. I doubt whether the export has ever reached 5 per cent. It has been usually from about 3 to 3½ per cent.

The American people are a meat-eating people. We eat large quantities of pork; and we are also a pork-exporting people. We export large quantities of pork. The country was full of hogs. In some sections of the country, with which perhaps I am more familiar than the Senator from Delaware, it is the principal business of the farmer to raise hogs to sell to the Chicago, Cincinnati, and St. Louis markets, where they are killed, packed, and exported, or prepared for domestic use.

Mr. STEWART. And then, if the Senator will allow me, there was an embargo by several countries of Europe on our pork, which has been removed; and that gives us an additional market.

Mr. TELLER. That is true. About two and one-half or three years ago, under the preceding Administration, the restrictions which had been put upon American pork in Germany and France were released, and our export in consequence, of course, increased.

As I was saying, however, we have a great stock of hogs in the country. Take the State of Illinois, with which I am somewhat familiar. I think that in a great portion of that State the farmers derive most of their revenue from the raising of hogs; and it has been so, as the Senator from Illinois [Mr. PALMER] tells me, for the last year, because prices had been extraordinarily high. Occasionally the prices of hog products have been high. I believe fifteen years ago we had just another such period of high prices of hog products. After that time the hog product ran down, and there seems to have been a supply greater than the demand. Our demand abroad was cut off by the restrictions imposed upon pork by Germany and by France. The last rise in the price of hogs was not entirely due to the supply being short or the demand great.

Many years ago, when I first began to observe this business and became somewhat familiar with it, there were a great many places where hog products were prepared for the market. It is not a great while since Cincinnati had the great packing establishment of this country and of the world; St. Louis was also a great place for that business, as well as many smaller towns, Kansas City, St. Joseph, and others; but lately Chicago has become the great market for hogs, and by a combination of capitalists and the manufacturers of hog products in Chicago they put the price of pork away up.

I do not know whether the Senator from Delaware has ever given much attention to this question, but it is a very common thing for a man to go into the retail stores of Chicago and buy a barrel of pork for about half of what the board of trade price is. I suppose the Senator would think that that was a remarkable state of things and could hardly account for it, and nobody could who had not given some attention to it. By the rules of the board of trade of the city of Chicago and other cities, I think, a barrel of pork must be packed in a certain manner in order to be good on the exchange; that is, if a man goes upon the exchange and buys a certain amount of pork, he is entitled to have a barrel of pork that weighs so much and shall have so many pieces in it. If there is a piece less or a piece more than is required by the rule of the board of trade he is not obliged to take it.

So these speculators go to work and put up the price of the hog product to an enormous price and sell it on the exchange, as the Senator from Minnesota [Mr. WASHBURN] knows very well, and force it up; and if a purchaser goes to a dealer in pork and the man wants to sell the pork, he unheads a barrel and cuts three or four pieces in two and puts them back; and then he says "that is all right, you can take that." So there are two prices most of the time in the city of Chicago for hog products. They put up the price of pork to an enormous extent; and I believe in a single day—if I am incorrect some Senator who is familiar with the subject may correct me—the price of pork fell \$9 a barrel,

or somewhere in that neighborhood, just when the combination broke down; perhaps it was more than that; it was enormous; showing that the price had been kept up, not by the demand, but by the combination in the interest of the speculators on the board of trade.

These two things have kept corn and pork above normal prices; first, a short crop; secondly, the stimulated and artificial prices of the hog products, which, of course, made the farmer anxious to sell his pork at a high price; but with pork and with corn the general trend for a number of years has been downward and not upward.

In 1880, I think, or about that time, owing to the great demand, wheat was very much higher than it had been for a year or two previous, or a year or two later. In 1890 wheat went up very sharply because of the short crop in Europe; because of the failure of the rye crop in certain portions of the world.

All these things, have to be considered in considering this question; but they do not at all interfere with the general proposition I have made, that for twenty years there has been a downward trend in everything that has been produced on the farm, in the mill, and everywhere else.

Mr. HIGGINS. Mr. President, the Senator from Colorado has discussed this question with great candor. He did me the honor the day before yesterday in his speech to refer to a colloquy which took place between himself and me during the preternatural speech of the Senator from Nebraska [Mr. ALLEN], when we were undergoing the test of physical endurance, in which, in answer to the Senator from Nebraska, I called attention to the fact that the low price of wheat was due to the overproduction of wheat in America, which was then met by the Senator from Colorado with the prompt statement which he repeated the day before yesterday, that for the last twenty years the supply of wheat had remained practically the same, while the price had tended steadily downward.

Now, what I wish to call to the attention of the Senator from Colorado and to hear his answer in relation to, is the statement of this case, statistically and otherwise, made by Mr. C. Wood Davis, of Kansas, in which he called the attention of the country to the fact that, beginning after the lands in Kansas, Nebraska, and the Dakotas were thrown open to settlement, the Indians removed and Indian difficulties and depredations and wars stopped—from that on until 1886 there was an addition to the acreage of this country devoted to the cereals of almost 50 per cent, while the population was growing only at an annual rate of 10 to 15 per cent per decade, and therefore there was an enormous excess of production over consumption in the United States, amounting to a great deal when our wheat product reached 400,000,000 bushels, but which in 1891 staggered the markets of this country and of the world, even when there was famine in Russia, by a product of 610,000,000 of bushels. So that during the whole of this period the low price of wheat arose out of the unexampled increase of the acreage of wheat by the devotion to its culture of the treeless plains of the West, and, as I said during the discussion with the Senator from Nebraska, that, good Republican as I was, I was met the other day, as I am now, with the startling prediction of Mr. Davis that now, when the opening of the Cherokee Strip marks the ending of the last land for homesteading in America, it will be followed by a condition where consumption has caught up with production, so that in 1896 we shall practically have ceased to be able to export, but will eat up our own product, and the price of grain will be put up to such a figure before the election of that year that the Democrats will go into power for sixteen years.

Mr. TELLER. I hope not.

Mr. HIGGINS. I hope not, too; but I mean to say, if the Senator starts this theory about silver and its condition putting down other prices, that he is met by other theories which seem to stand on stronger foundation. I shall only add, that the Senator anticipated further questioning from me by admitting the influence upon the market of the price of silver. He has argued to show that it put up the price of corn. What answer has he to make the Senator from Minnesota and myself that it put down the price of wheat, and that to the pernicious influence of the market wrecker is due the low price of wheat here and abroad?

Mr. TELLER. I will answer the Senator—

Mr. WASHBURN. Will the Senator from Colorado allow me a moment?

Mr. TELLER. I yield to the Senator from Minnesota.

Mr. WASHBURN. In regard to the question of acreage, if I am not very much mistaken in my recollection, in 1890 the acreage of wheat was no larger than it was in 1880.

Mr. HIGGINS. It was absolutely larger, but it was relatively smaller compared to population.

Mr. WASHBURN. If anything, it was only a trifle larger; it remained substantially the same, and the population of this country had increased to a very large extent.

I agree entirely with the suggestion made by the Senator from Colorado [Mr. TELLER] in regard to the price of corn and pork, that it was simply artificial.

In all the discussions on the anti-option bill it was admitted by its friends that there were short periods when the prices of products were increased to an abnormal extent, but that it was only temporary; that the ultimate result was that when the corner or deal was broken the prices went lower than they were before. That has been the rule in every bull movement or in every corner that has been attempted in this country.

Again, in answer to the suggestion of the Senator from Delaware [Mr. HIGGINS] as to the overproduction in 1891, the wheat and rye crop throughout the world in that year was between three and four hundred million bushels short of an average crop, and yet under the manipulations of the produce exchanges of this country, more notably the Chicago Board of Trade, the price of wheat was broken down from \$1.12 to less than 75 cents a bushel. This I claim and believe.

Mr. HOAR. Do these manipulations enable the manipulators to make a great speculation by selling wheat to the consumer for what would be a high price, or are they manipulations by which the manipulators get no substantial advantage by selling it again?

Mr. WASHBURN. Of course, on account of the demand for consumption; that goes without saying. The price depreciated from \$1.12 to less than 75 cents a bushel. I claim it was largely due to the operations and machinations of the gamblers in the grain products of this country, and that the question of supply and demand really cut but very little figure in it, because, as I said before, the average of the crop of the world was from three to four hundred million bushels less than the average crop. Of course under these manipulations the question of supply and demand cuts some figure; but in the main the plain on which grain is sold is made by the manipulations of the produce exchanges of this country. So I think the Senator from Colorado is sound on this question, and if he were equally sound on the money question, and had as clear an appreciation of that as he has of this question, I should be with him.

Mr. HIGGINS. I do not wish to interrupt the Senator from Colorado, but I have the figures before me, and I wish to call his attention, and that of the Senator from Minnesota, to the fact that it was in the period from 1870 to 1885 which marked the stoppage of the rapid increase in the production of grain, compared to the increase of population. The rate per cent of increase of cultivated area from 1871 to 1875 was 32.2; from 1875 to 1880 it was 34.1; from 1880 to 1885, 19.4, and from 1885 to 1890 it fell to 7.1, and has been much less since then.

Mr. TELLER. I will now come back to the proposition that the hog product, the corn, and the wheat crop have been manipulated by boards of trade. The price of wheat in the United States is fixed absolutely by the price of the surplus we send abroad. There is no question about that. When wheat is high in Europe it is high here. Corn is not affected by that cause at all on account of the small percentage of corn we send out of the United States. It does not in anywise affect the price in the United States. So what could happen as to corn could not happen as to wheat, unless there is a system on the boards of trade in Chicago and all over the world, which nobody claims exists. The wheat price in Europe is fixed by the demand for it and for bread products.

Mr. MANDERSON. Let me suggest to the Senator that certainly the price of corn is affected by the shipment abroad of cattle and hogs, or rather the products of cattle and hogs?

Mr. TELLER. Certainly.

Mr. MANDERSON. The Senator is, of course, aware that in the corn-growing States of the West the use to which a vast amount of corn is put is the putting it into animal form, and that is shipped abroad. So the foreign demand for the animal product would advance the price of corn.

Mr. TELLER. Certainly; what the Senator states is true of cattle as well as hogs.

Mr. ALLEN. I should like to suggest to the Senator from Colorado that a great deal of the difficulty has arisen from the inability of many of the people in the United States on account of lack of employment, and scarcity of money to purchase the products of this country. That, as I understand, has had a very important effect upon prices.

Mr. TELLER. I was coming to that; and that is a statement which can not be questioned.

Mr. HIGGINS. Do I understand the Senator from Nebraska to say, and the Senator from Colorado to corroborate the statement, that there had been up to the time of the recent depression any serious or long continued lack of employment in this country? Certainly the tramp disorder did not exist largely in this part of the country until the tramp resumed his occupation in this Democratic Administration.

Mr. TELLER. We have had times in the history of this country since 1873 in which there have been a great many more tramps abroad than anybody wanted to see; and that does affect the consumption of wheat.

Mr. HIGGINS. If the Senator will allow me, up until between 1873 and 1879 was the time of the greatest depression, but after 1879 began the good condition, which has prevailed more or less up to this time.

Mr. TELLER. "More or less," and yet in 1884 we had a good deal of depression in financial circles, a good deal of want, and a great lack of employment and general complaint; and there has been a steady complaint in this country for twenty years of a lack of profitable employment. The conditions were better in 1891 and in 1892 than for a long time before, I think.

Mr. ALLEN. I desire to suggest this idea, that, taking the rations allowed to the soldier of the regular Army as a fair test of the percentage of the food product that is consumed daily in this country, we do not raise in this country a bushel of wheat subject to export, and have not for a great many years.

Mr. WASHBURN. I wish to call the attention of the Senator from Delaware to the statistics in regard to the area of wheat from 1880 to 1890 to show that the decline in wheat has not arisen from that cause. In 1880—

Mr. HIGGINS. Does the Senator mean the decline in prices?

Mr. WASHBURN. The area does not account for the decline in prices, because in 1880 the number of acres was 37,987,000; in 1890, 36,087,000, something like a million acres less.

Now, I desire to say, in response to the statement made by the Senator from Colorado [Mr. TELLER] that the price of wheat in this country is made by the export demand. Such has always been the theory in this country, up to a recent period, that whenever there was any export demand the price of wheat was made in Mark Lane, and the prices here adapted themselves to the prices there; but in late years this has been largely, and in some years absolutely, changed—notably in 1891, the year we exported more wheat than any year since we commenced raising it, the price was not made in Mark Lane, Marseilles, Genoa, at Antwerp, or at any foreign point; but it was made artificially and arbitrarily on the Chicago Board of Trade.

When it became known all through Europe that the crop of the world was short, as I said before, from three to four hundred million bushels, including wheat and rye, the belief became general that the price of wheat must advance and heavy buying commenced, and the exports for a while were very large; but just then the bears, the gamblers, and the market wreckers on the Chicago Board of Trade began to sell short and to get in their deadly work—offering to sell in Chicago enormous quantities of wheat that had no existence at prices for future delivery much less than the cash price, and continued this process through the entire crop year. That, of course, carried the price down in all the markets of this country, Europe, and the entire world; and for six months, as the Senator will find by reading the market reports of the world during that period, the price was carried steadily downward by operations of this character. The dealers in Europe undertook to hold up the price, but it was continually knocked out from under them by the quotations arbitrarily made by the Chicago Board of Trade.

Mr. TELLER. I do not deny that the Chicago Board of Trade has exercised a pernicious influence on the price of wheat and other farm products.

Mr. STEWART. And on silver. [Laughter.]

Mr. TELLER. Yes; I might include that. We have had several petitions from that board of trade recently with reference to pending legislation. They take the same view of it that the Senator from Minnesota does, that it is very important for the general speculative interests of the country that the purchasing clause of the Sherman act should be repealed. That is the only interest that they have, and the only interest that the Senator from Minnesota has, if he will permit me to say so.

But, Mr. President, let us get back to the wheat crop. While undoubtedly in this country the Chicago Board of Trade controls to a greater or less extent temporarily the price of wheat when it is fluctuating, yet it does not control the export price. Half the time the price on the Board of Trade of Chicago is not the real price of wheat; it is but the speculative price. The price of wheat to-day will be 5 cents more than it was yesterday, and to-morrow it may be 10 cents lower than it is to-day, and going down. Then those speculators fall, and go into bankruptcy, and start in anew; but that is not legitimate business. It disturbs the legitimate business of the country. The question is, for what does wheat sell when it is taken to New York City, Baltimore, Philadelphia, and other cities of export to be shipped to Europe?

Mr. HIGGINS. I would ask the Senator from Colorado if the price in New York, Philadelphia, and Baltimore is not daily controlled by the price in Chicago?

Mr. TELLER. Not always.

Mr. HIGGINS. It is the same, allowing for the difference in freight charges.

Mr. TELLER. They are compelled in the long run to take the export price. When Chicago puts up the price of wheat 5 cents a bushel in one day, nobody exports wheat, and nobody gets any money for the wheat there. The farmers do not get the advantage of that. It is a speculative operation.

Mr. WASHBURN. In 1891 there was no putting up; the gamblers were selling short; and that continued a long time. If the Senator will take the pains and time to examine the quotations that were made from time to time during that year in every foreign port to which we export wheat, he will find every word I have said on that point absolutely corroborated, and that the price was not made abroad, was not made by the export cities, but was made by the Chicago Board of Trade by offering wheat which did not exist, but which at the same time made the price for all wheat in this country. The miller who bought wheat, or any one who bought wheat, had to buy it on the basis of the prices made by the Chicago Board of Trade. So it was at every foreign port. And it even went so far that the foreign miller, and the same is the case to-day, in order to protect himself, sold wheat short on the Chicago Board of Trade, and helped to put down the market still further.

Mr. TELLER. Undoubtedly there was an extraordinary condition in 1891. In the first place, there was no wheat in Europe, compared with what there ought to have been. Therefore, we, having a great crop in that year, all we wanted that year, were able in some respects to dictate, and did dictate the prices; but it was the only time that we ever did dictate the prices, and we only did it then in a sporadic way and for a short time.

Where you send your surplus products is where the price of everything is fixed. That is an economic law that may be disturbed for a time, but, as a general thing, it is a universal law. It can not be disturbed except for a temporary period, I do not care what the product may be. Who fixes the price of cotton in this country? The people who consume it in Europe, because we can not consume the product of this country. If we could, we should fix the prices; but we are at the mercy of those people, and we receive from them what they are willing to pay us. We come in competition with Russia, with India, with Bohemia, with Turkey, and with other sections of the world that have very much cheaper labor than ours. So they practically fix the price. I think that can not be gainsaid. Although there may be some exceptions with reference to the fixing of the prices of products in this country for the time being, yet that universal law when that exception arises is disturbed.

Now, I want to get back to the proposition of the Senator from Delaware. I do not happen to have seen Mr. C. Wood Davis's calculations on this subject, and if I had I do not know whether I should attribute as much importance to them as the Senator from Delaware does, because I am pretty familiar with this subject myself. I know that there was a great growth of farms and a great increase of farm products after the war, because I was in the habit, at least twice a year, of passing back and forth across that great country which sprang into civilization as if by magic.

I have gone across the State of Kansas when there were no settlements except along the frontier on the Missouri River. I have seen that State grow to be the greatest farming State of the Union, producing from 74,000,000 to 75,000,000 bushels of wheat in a single year. I have seen those farms grow from wild prairies to a cultivated condition. I know those facts without any statistics from Mr. Davis or anybody else. But that condition had practically ceased to exist before the period that I referred to in my remarks the other night when the Senator was insisting that we had overslaughed the markets with our Western products, because that commenced in 1882, and Kansas had been practically settled before that.

I have before me a statement of the world's crop of wheat, and the amount of our crop and the acreage. I want to call the attention of the Senator from Delaware to the fact that the acreage in the United States in 1893 is considerably less than it was in 1882; that is, there were not as many acres of wheat raised in 1893 as there were in 1882, and but little more than in 1883, when the acreage had increased somewhat. If the price of wheat is high one year, you will find a larger acreage the next year; if it is low, you will find a smaller acreage. The farmer who gets a small price for his crop one year is very apt to say to himself, "I will not put in so much wheat next year," and so the acreage goes down. On the contrary, if he gets a good price for his wheat, he puts in more the next year. In this way the acreage goes up and down. In the section of country where wheat is perhaps almost the sole crop, there the acreage is more uniform.

Mr. HIGGINS. If the Senator will permit me, I have not before me the figures as to the acreage of land in wheat during late years, but, as I understand the figures, the large increase

of acreage devoted to all the cereals and to farming purposes stopped relatively with 1885, and since that time the country has been vainly endeavoring to catch up with the unprecedented and enormous increase that occurred between 1867 and 1885. That increase was simply unexampled in the experience of the world; the great, peaceful march of the nations had known nothing like it before in the history of the world since the Huns and the Goths and Vandals swept with sword over western Europe.

Mr. TELLER. Let me call the attention of the Senator to the fact that is given here, and which I believe is correct, inasmuch as it corresponds with the figures given by the Agricultural Department, that in 1882 (which is the first year given in this statement) the acreage of wheat in the United States was in round numbers, 37,000,000; that in 1885, which he says was the culminating year, it was only 34,000,000; in 1882 the acreage was 37,000,000, in round numbers—I will not give the exact figures—in 1885 it was 34,000,000; in 1886 it was 36,000,000; in 1887 it was 37,000,000, and in 1893 it was 34,500,000.

Now, let me give the Senator the crop for 1882. The Senator speaks of the great crop of 1891 being 611,000,000 bushels of wheat. The crop of wheat for 1882 was 504,000,000 bushels. The Senator must recollect that during those ten years we had an increase of population to consume that wheat crop. In 1882 the price of wheat is given in the Statistical Abstract at \$1.19.

Mr. HIGGINS. That was one of the years when there was a great crop in the country.

Mr. TELLER. Still it brought a large price. That is what I wanted to call to the attention of the Senator, that it brought \$1.19. The next year the crop was very nearly, but not quite 100,000,000 bushels short, being 421,000,000 bushels, and the price was \$1.13. It certainly ought to have brought as much.

Mr. HIGGINS. I can refute those figures, if the Senator will allow me, from Mr. Davis's tables.

Mr. TELLER. I am not taking Mr. Davis's tables.

Mr. HIGGINS. Allow me to take them, and to commend them to the Senator's careful inspection. I am now giving him for the years 1882 and 1883 the world's production, and on the world's production in 1882 and 1883 there was a surplus of 216,000,000 bushels.

Mr. TELLER. I will give the Senator the world's production. I have the whole thing here in a form which the Senator can verify by reference to the figures of the Agricultural Department. I know nothing about Mr. Davis's tables, except I know that he has been connected with the talk about the boards of trade a good deal, and has had considerable to say about them. The Senator may take the world's product in 1882 at 2,270,000,000, in round numbers; take the next year, 1883, and it was 200,000,000 bushels short; it was short nearly a hundred million in this country. Yet instead of the price being \$1.19 it was \$1.13.

Mr. HIGGINS. Was not the surplus brought over from 1891?

Mr. TELLER. There was not surplus enough brought over to make that difference.

Mr. HIGGINS. The world to-day is staggering under the surplus brought over from 1891.

Mr. TELLER. I have here a statement made by, I think, as good authority as exists. If the Senator would look at the facts he would not jump at conclusions as he does. Our surplus that year, 1882, was 98,000,000 bushels. Still the world's supply in 1883 was nearly 100,000,000 bushels short, including the surplus. The next year the surplus was still greater and the crop was greater, and the price was again less. So the Senator may run down the tables until he comes to the crop of 1891 or 1892. That is the year when there were great crops in Europe, and we also had a great crop.

This year we have 400,000,000 bushels of wheat and there are in the world 2,229,000,000 bushels; and yet wheat is cheaper to-day in London, Liverpool, and New York than it ever was before in the history of wheat. The surplus of last year was 135,000,000 bushels, while the surplus of 1892 was 171,000,000 bushels. The surplus is the amount estimated to be in the farmers' hands on the 1st of March, and added to the crop gives the amount available for domestic use and export. There has been no wheat sold in a hundred years in Great Britain for the price at which it is being sold to-day.

In New York City, during the greatest panic which ever took place, the price was higher than now; within ten days it has been 66 cents per bushel; it has even been put aboard vessels within the last thirty days for 70 cents, and that was the best wheat from Minnesota and the Dakotas. It is not that the country has a surplus product; it is that there is a paucity of consumption; it is that the whole trend of prices of all products has been downward; and you can not keep up the price of one product when the price of everything else is falling. It is caused by the contraction of money. That is what I desire to speak of. The only point to which I intend to address myself to-day is the question of the appreciation of money, which bears a close relation, of course, to the falling of prices.

Mr. HIGGINS. If the Senator will allow me, he has been fair enough to say that this effect of the appreciation of money has not been the only one that influences prices; that the law of supply and demand, the influences of market gambling, and other elements come in to affect it. But I will ask him if he does not consider that the price marked by grain in the United States, and, because of its selling price here, throughout the world, during the present depression and panic, has shared that depression with all other products? As the Senator from Minnesota [Mr. WASHBURN] has so clearly shown here, and as we all know, it has been the subject of the market gambler in all the boards of trade, not merely at Chicago, but at New York and elsewhere, and along during June, July, and August of this year, and to the present time, there has been no supporting power; the banks have been unable to furnish money, and consequently farmers have been compelled to sell their grain for almost for whatever it would bring. I am very much in hopes, I will say to the Senator, that with better conditions that may come, the price of grain will go up; but he can not attribute its present peculiarly low price to the general law which he is arguing for.

Mr. TELLER. That is the very gist of the whole controversy. The Senator assumes that I can not. I have been trying to prove that I could. I have been asserting that. I have not denied that the present local depression has not had some effect upon wheat; that the shortage of money in the country may have rendered it difficult for a man to move his wheat from Minnesota to New York. I have not denied the influence of the present financial depression in the United States upon the markets of Europe. Why should wheat rule in Europe lower than it ever ruled before in the history of the world?

Mr. HIGGINS. Because they can buy it cheap here, and they have been doing it.

Mr. TELLER. If there was a demand for wheat and wheat was high in Europe they would send the money here to get it. It has been low in Europe. It has been going down there. It has gone from 45s. to 26s. Mr. Rothschild said that was a blessing, and I judge that the Senator from Massachusetts was inclined to that opinion by the question he asked the Senator from Minnesota when he inquired who paid the cheap price. That was the effect of his question. I do not deny but that when wheat goes to 50 cents a bushel the man who consumes it and does not raise it gets some advantage from it. The low price has some redeeming quality of course. It enables the manufacturers of New England to perhaps manufacture cheaper than they could with high-priced wheat. But I deny that it is a blessing to the country to have cheap wheat or that in the end it is a blessing to the man who buys it.

Mr. HIGGINS. I agree with the Senator thoroughly.

Mr. HOAR. The Senator has been very hasty in his deduction of my opinion from my question to the Senator from Minnesota.

Mr. TELLER. I will allow the Senator to give his own interpretation of it. I supposed that was what the Senator meant.

Mr. HOAR. I asked the Senator from Minnesota *sotto voce*, when he stated that certain manipulations of the wheat market in Chicago brought down wheat to the low price per bushel of which he was speaking, whether the manipulations enabled the manipulators in the view of the Senator from Minnesota to make a great speculation by selling it for what would be a high price to the consumer, when getting from the producer cheap, or whether they were manipulations by which the manipulators got no substantial advantage by selling it again. That is the question which I asked.

I will state, however, very frankly—and I do not want to prolong this discussion—that I quite agree with those who believe that high prices, as a rule, are an indication of national prosperity, and that low prices, and especially falling prices, are an indication of great national distress and decay. I do not believe, if I may add one sentence, that the manufacturers of New England, to whom the Senator from Colorado adverted, entertain any other opinion. They do not desire times of cheap wages as a rule. Of course there are contests which come about, and there are manufacturers who are free traders, and have all manner of absurd notions as well as other classes of men; but the great bulk of the New England manufacturers never responded more heartily to any sentiment uttered in this country than they did to the sentiment so eloquently and graphically put by the Senator from Connecticut [Mr. HAWLEY] sometime ago, in which he denounced cheapness, and President Harrison expressed the same view.

Mr. TELLER. I agree with the Senator from Massachusetts, that falling prices are disastrous to business and not a sign of national prosperity.

Mr. HOAR. And falling wages.

Mr. TELLER. And falling wages are the same. Of course the cheapness which comes from ability to produce with little labor and with little sacrifice is a cheapness that nobody objects

to, because that puts within the reach of everybody the product.

Mr. HOAR. In other words, you would rather have a State of rich and fertile land than cheap and rocky land. That is the whole of it.

Mr. TELLER. Yes; if land will produce, as land will in some portions of the country, 40 bushels of wheat per acre, it enables the producer to sell the wheat for less than if it produced 20 bushels, and it is a blessing to him and a blessing to the country. What we complain of is a monetary condition that produces the low prices, not that nature has supplied an abundance of the things and enabled us to produce cheaply, but that we produce it on the same soil with the same sacrifice that we ever made and get less for it.

The Senator from Delaware says that I am fair enough to admit certain propositions. Upon these questions I never shrink from the logical sequence of my proposition. I never would assert that the monetary condition absolutely controls, and that nothing else controls the price of commodities. I have seen one commodity going up when hundreds of others were falling. It was apparent that there was some general law operating upon those falling, and that there was some special influence or law acting upon that which was rising. That might be because of an increased demand; it might be because of a decrease of supply. But what I am dealing with is the general rule. I am dealing with the general proposition that the amount of money in circulation in a country controls its prices; that the amount of money in circulation in the world controls the world's prices; and I have yet to hear anybody dispute that proposition.

Mr. HIGGINS. I simply want to understand the Senator's position. Does he claim that one country, with what he would consider an abundant or a superabundant amount of circulation, could establish and maintain one price for wheat, and another country, with an inadequate circulation or a small one relatively, could have a lower price for wheat, and so on through the whole range of prices of commercial articles; or that there is a single price the world over, barring the cost of transportation?

Mr. TELLER. On Monday last, when I was on the floor, the Senator from Rhode Island [Mr. ALDRICH] put that question to me and I answered it in the negative. I do not claim that. It seems to me that it does not need any argument to explain my position on that point. Take the United States. If we have so much money that wheat goes to \$1.10 a bushel and in England they have so little that it remains at \$1 there will be a redistribution of the money in these days, when all the world is one commercial body. When all have the same kind of money and have a universal commerce you can not do that. The time was when a country would maintain its prices independently of every other, because it had no association with other countries. That can not now be done.

I stated the proposition some days ago, and the Senator from Nevada [Mr. JONES] in his recent speech reiterated the same suggestion. It is not new to either of us. It has been repeatedly declared here that no country can keep more than its distributive share of money; that whenever a country gets too much money for its business, so that prices rise abnormally, the money will get out of the country, if it is money that can go, because it will perform more money duty, it has a greater command over commodities somewhere else, and it goes where it has the greatest command over commodities. If an ounce of gold will buy twice as much goods in Europe as it buys here it will go to Europe. There is no law that can prevent it from going to Europe. The man who holds it here will see that it goes to Europe, because he holds the gold to command commodities.

It is only the miser who holds it when he gets it and prizes it for its beauty. The holder of money prizes it for what it will control, what it will buy, and so in the case I put, it goes to Europe. I do not pretend to say that we can keep the prices in this country at a height beyond those in Europe; and what I am complaining of is that we have done nothing to bring about a monetary condition all over the world that shall bring up prices; but, on the other hand, we readily receive from Great Britain a demand that we shall follow that country in our monetary system and follow in falling prices.

We have nothing to gain by cheap goods, we have nothing to gain by cheap labor, we have nothing to gain by getting a vast amount of products from abroad, because we do not get any interest from foreign countries. We are paying interest on our indebtedness and Great Britain is receiving it. France and Germany and Great Britain are all interested in getting as much for their money as they can, and the cheaper things are the more they get. We have products to sell.

Mr. HIGGINS. I suppose the Senator does not undertake to speak of the Democratic majority in this Chamber, for I have understood that they want everything cheap.

Mr. TELLER. I do not know anything about what the Democratic majority want.

Mr. HOAR. They do not seem to be getting it just now.

Mr. TELLER. I am sure I do not know what the Democratic majority want, nor what they propose to do. I know about as much about it, however, as I know about what the majority on this side of the Chamber want. The distinction between the majority on this side and the minority on the other is so trifling, so far as this session has been concerned, that I do not know where the difference begins or where it ceases, and I do not know of anybody who does. They all seem to be in accord in producing cheapness. Every effort that they have made on both sides so far has been in favor of the reduction of the money of the country and entering upon a period of contraction, which all know just as well as I know means low prices. If that is Democratic doctrine, and cheapness is what they want, it seems to have pervaded this side of the Chamber quite as effectually, and I think a little more vigorously even than the other.

Mr. President, I was diverted from what I was saying by the question of the Senator from Delaware, with which I find no fault, because, as I said before, the question which I propose to discuss is the depreciation of gold, or it can be stated conversely by saying the fall in prices. I attributed the low prices to the scarcity of gold. I read to the Senate statements made in the Brussels conference to show the condition of the world. I did not think there could be any doubt what it was, but I wanted to put it so that everybody would admit that the conditions are as I claim. Therefore I presented those extracts.

Now, I assert that there is not gold enough in the world to maintain stability in prices as the basis of the money systems of the world. That has been practically admitted in the Senate for at least the last three years. In the debate in 1890, I believe no man challenged that proposition at all. It was said by every one, you have got to utilize silver, the gold is not enough to furnish the metallic money required as the basis of paper money that is to be used; because it is conceded by everybody (it used to be at least) that all paper money should be based upon metal, either gold or silver. While that is not absolutely true under certain circumstances and limitations, it is so nearly true that it is not inappropriate to state as a general financial proposition that the paper money of the world must be based upon either gold or silver. I do not want anybody to come to me hereafter and say that I insist you can not maintain paper money with full money functions without either gold or silver, because that has been done and that can be done under the limitations I mentioned in my remarks last Monday, and that point I will not go over.

There is produced in the world, I suppose, from \$115,000,000 to \$125,000,000 worth of gold every year. I do not myself believe the statistics on this subject are very trustworthy, and I think it is exceedingly doubtful whether the amount has not been greatly exaggerated within the last few years. The declaration that there is an increase of gold within the last few years I do not believe can be sustained. I should say myself that \$115,000,000 a year is very much nearer the amount than a higher sum, and I believe that is too much of itself.

But suppose \$120,000,000 or \$125,000,000 are produced, what amount of that is to be used in the arts, and what amount is to be left to enter the monetary system of the world? If Mr. Sauerbeck, a German writer of reputed authority, is to be trusted, very nearly if not all of that is absorbed either in the arts or in making up the loss from the present stock. So, although you may produce \$120,000,000 of gold each year for a series of years, at the end of that time you will not have added to the world's stock of money. Of course you have the gold in watches, in jewelry, in dentistry, in various gildings and all that, but you have not added to the world's stock of gold money.

But, on the other hand, it is claimed that that is too much. We produce in this country about \$33,000,000 a year of gold—a little more some years or a little less. If the Director of the Mint is correct, we use up of that amount nearly \$20,000,000 in the arts in this country—considerably more than half; nearly two-thirds. How much it is somewhat difficult to determine; yet you can see readily that in making these calculations there is more probability that you get under the amount used in the arts than over it.

It is safe to say, then, that \$20,000,000 of it does not go into money, and that the balance, \$12,000,000 or \$13,000,000, goes into money. If that proportion holds good in this country, it must certainly hold good in other portions of the world; and the chances are that there is very much more of it used in the arts in proportion to the total product in countries like England, France, and Germany. In those rich countries where capital has accumulated and where there is great wealth they use more of it in the arts. So I do not think that Mr. Sauerbeck's statement is at all out of the way, that substantially the world's product is used up before it gets to the mint.

This matter was touched on in the Brussels conference. I have a memorandum somewhere, but I can not put my hand on



it. Senators who have read that report will remember the statement made. My recollection is that the Senator from Nevada [Mr. JONES] made the same statement in the speech that he delivered here in 1890.

Nobody in Europe has ever claimed that more than 40 per cent of the world's product went into money. Suppose we say that out of the \$120,000,000, 40 per cent of it, or I do not care if you say half of it goes into money, what would \$60,000,000 of gold be for the increased commerce, the increased trade, and the increased population of the world? Absolutely nothing whatever. I figured it up once on that basis and found that when we had about sixty million people we would be entitled to an addition of about 6 cents per capita per year to our stock of money.

There is not any surplus of gold in any country in the world. There is not enough gold in any country of the world. I spoke the other day of the scramble that is going on for gold. I read in my opening from the Brussels conference report the statement by Mr. Goschen. He felt a degree of humiliation that when the Bank of England lost a million pounds there should be a financial disturbance in Great Britain. Everybody knows that has been the case for several years. Everybody knows that when exports of gold go from the United States to Europe there is terror in all financial circles of this country, and, on the other hand, when gold comes from Europe to us there is financial terror in every portion of Europe.

The contest is going on now as to who can keep the greatest amount of gold. If there was a sufficiency of gold nobody would be disturbed when a small amount of five or ten million dollars went from one part of the world to another. It goes from England to France, from France to Germany, and is always doing money duty, always performing the duty for which it is kept and used. If we send \$40,000,000 or \$50,000,000 of gold to Europe in a few months, as we have done, or if it is returned in less time, as has been done, it is still doing money duty; it is still affecting the prices of the world. But there is not enough. I say there is a scarcity of gold. I will read on the scarcity of gold an extract from this report by Mr. Rothschild:

What took place when the late war broke out between France and Germany? The Bank of France not only did not pay its notes in gold, but a quantity of 5-franc notes were immediately printed, in addition to which the bank was authorized to issue more notes than it was legally entitled to do according to its charter. This did not prevent, nor would it prevent the French banker, from drawing bullion away from this market, either by sales of bonds on the stock exchange or by getting their bills discounted in the open market here.

As regards Germany, that country has also certainly a gold standard, but it would be difficult, if not impossible, to obtain any large amount of gold from Berlin or from any of the branches of the Imperial State Bank.

Then, again, as to Italy, there is a large amount of gold stored away there, but, as in reality it does not see daylight, that country might as well not have departed from its paper currency.

This he was citing to show that England could not keep the gold; that if they should attempt to use gold and silver they would lose their gold. I have a little work here entitled "The gold and silver money, a vital British home question for rich and poor, learned and unlearned," by John Monteath Douglas, of London. It is a very well written work, and I desire to read two or three extracts from it on this very question of the scarcity of gold. Speaking of the danger to Great Britain in losing its gold he says:

Every year the number and power of great financiers increases, and the risk to the English money market from their overgrown operations, for which our system was never meant. Such movements had not been dreamed of forty-eight years ago, in 1844.

Long may it be before any such attempt here is made by powerful speculators. It might easily be done so rapidly that the effect would be disastrous in the extreme. There would be no objects to serve at a time like the present, when transactions in all sorts of produce, as well as in stocks and metals, are at a minimum, speculation dominant, prices generally very low, banks full of deposits for which the owners see no present good employment, and the reserve still above fifteen millions. But there are plenty of opportunities when these conditions are reversed.

Take a very different case. Some years ago the Russian Government had large deposits of money in London—some millions sterling—and was said to have asked for about three millions to be sent in gold. This at the time would have caused a sharp advance of interest, which was explained to the Russians, who accepted a moderate portion, letting the rest follow leisurely. But suppose the time had been one of those when it would have particularly suited the Russians to put our affairs into confusion by merely drawing their money out of bank in gold, as any one can do.

The Russian Government (according to the St. Petersburg Bourse Gazette, quoted in Statist of 22d October, 1892, and other papers here) has now on deposit in London about ten millions sterling, five in Paris, and four in Berlin, and has been drawing away some gold. Suppose, by and by, when business revives and the reserve falls, it suited the Russians, who are so roughly spoken and written about here in their financial and other affairs, to take their money roughly—say in one week, or in two days—how would business and credit in London and all over England stand next day?

That is, if they should call for \$50,000,000.

The same difficulty could not occur in Germany, because the silver thalers are still full legal tender, and the banks have plenty.

This is about Germany I read:

Just so during the Baring troubles the Bank of England had to ask for permission to buy three millions sterling of gold from the large stock of the Bank of France, which was said to dislike this, but to agree at request of persons influential in both countries. The sum was small to that other

bank but great to ours. The Continentals greatly enjoy the story, and frequently refer to this help in speech and in print, when anything brings up questions as to England's assumption of monetary superiority.

I will add to what Mr. Douglas says here, that they borrowed a million and a half pounds also at that time from the Bank of Russia as well as from France.

They don't mean to forget it. Happily the Americans had by that time got a considerable amount of silver coined, and "silver certificates"—we should call them silver notes—issued against silver, all legal tender, and these notes particularly popular as most convenient currency, equal to gold. Thus they had no dear money market, and did not need to draw on Europe for gold and so make things much worse, as otherwise they would have had to do. The Bank of England had once before to get assistance from the Bank of France some years before the act of 1844. We before alluded to these cases of foreign help, but they deserve this fuller notice.

I think it is pretty well established (and I do not know that it needs any further authority on the subject) that there is a scarcity of gold in Europe, but I will read one other extract from the address made by Hon. J. A. Balfour, member of Parliament, in the Egyptian Hall, Mansion House, London, August 3, 1893. It is a recent statement.

Evils of a scramble for gold.

It is a portion only of the address that I read:

We have boasted that we lead the van of commerce, because we are the great upholders of the single gold standard; and yet there is not a man, I venture to say, in the city of London at this moment, not a single man, who would not look with horror and with apprehension at every other nation following so good an example. Was inconsistency ever shown in more ludicrous colors?

It is right, apparently it is orthodox, to have a single gold standard, but let Austria have a gold standard, let India try and get a gold standard, let the other countries go in for a gold standard, and a tremor seizes every one of our commercial magnates; they look forward to the possibility of an immediate catastrophe, while they dread in the future that slow appreciation of the standard of value which is probably the most deadening and numbing influence that can touch the springs of enterprise in a nation. Such conclusions, if they be well founded, and I at all events most honestly attempted to arrive at the truth, may well "give us pause;" and I venture, if I may, earnestly to appeal to that portion of my audience whose minds are not yet made up upon this question to reflect whether, of all subjects which deserve international treatment, that of the currency does not stand in the very first rank?

That is a speech which I commend to the attention of some of the Senators here who seem to doubt the appreciation of gold.

As to the appreciation of gold directly, I wish to read from a little pamphlet published by Prof. Laveleye in 1890, who had written recently, just before his death, one of the most complete small works that has ever been written, I think, on monetary science. Unfortunately it has not yet been translated into English, and therefore it is not accessible to the average American. He was a professor in the University of Liege, in Belgium, and I believe had a reputation at the time of his death for exactness and correctness equal to that of any other European writer. He says:

The production of gold is insufficient for monetary wants because the mints are almost compelled to close up. The instruments of exchanges not being fed by an annual coinage of about one milliard of francs a year, as they were formerly, are contracting; whence the fall of prices, the essential character and cause of the present crisis.

This cause of the crisis, it seems to me, is undeniable: First, because it had been brought out into bold relief, with all its consequences, before events came to confirm this forecast. Second, because a crisis exactly similar to the one we are now undergoing was produced after 1819 by a similar cause. Third, because the explanation to which I have referred is in harmony with those principles of political economy which are least contested.

The appreciation of gold was predicted by a large number of scientists in Europe before there was any appearance of the appreciation in fact. It was stated by those who had studied the question that if an attempt was made to put the burden of international money entirely upon gold alone gold would be appreciated or prices would fall. Dr. Laveleye here cites some of these views. He says:

I. The present crisis was foretold, in the most precise manner, by the most competent and the most various authorities. Let us first hear the bimetallicists. Fourteen years ago Wolowski and Ernest Seyd foretold, in the following terms, the inevitable consequences of the demonetization of silver by a great state, although they did not then foresee a general proscription of the white metal, such as has taken place since: First, Trade will decline, especially in the countries which have the largest commerce with foreign countries; second, the fall of prices will cause great injury to manufacturers, merchants, and farmers, and hence to their workmen; it will be of advantage only to fund-holders and to holders of coin; third, industry being affected disadvantageously in its profits, fewer new ventures will be made; fourth, in this period of depression, the cause of which will not be understood, recourse will be had to expedients which will aggravate the evil, and among these expedients will be protective tariffs.

"If you suppress silver as a motor of circulation," said Mr. Wolowski to the monetary commission, on the 7th of April, 1870, "you will diminish the metallic mass intended to serve as an instrument of exchange the world over. A large fall of prices will be the necessary consequence of the scarcity of the white metal. Lands, for instance, will be sold for a less quantity of money; the land-owner will find himself between two fires and will be injured in both directions. Land will decline in price and the mortgage it has to bear become heavier."

Léon Faucher, as far back as 1843, predicted the actual crisis in still stronger terms:

"The Government, he said, can not prescribe that the type of value shall henceforth be gold instead of silver, for to prescribe that it should would be to decree a revolution, and the most dangerous of all revolutions, one whose course would be towards the unknown." (*Recherches sur l'or et l'argent* 6, 104.)

Let us hear now the monometallicists.

The Economist also foresaw the danger from afar. In 1869, in its review of the year, it wrote substantially as follows:

"We may affirm that the actual production of gold of £30,000,000 (now reduced to twenty millions) is scarcely sufficient to meet the increasing transactions of the commerce of the world and to prevent a sudden reduction of prices and wages."

In its review of March, 1873, it predicted the disastrous consequences of the adoption of gold monometallism by Germany, and it added: "Unless the annual production of gold suddenly increases the monetary markets of the world will probably be subjected to a great perturbation by this scarcity of specie."

Lord Beaconsfield expressed himself in the same way. He said: "I attribute the monetary disturbances which affect business transactions so disastrously to the changes which the governments of the continent have introduced into their standard of values. Our gold standard is not the cause but the consequence of our commercial prosperity. It is evident that we should prepare ourselves for great disturbances in the business market, occasioned not by speculation or by some cause long known, but by a new cause, the consequence of which is very disastrous." (D'Israeli, at Glasgow, November, 1873.)

On March 29, 1879, speaking of the depreciation of silver, Lord Beaconsfield said:

"The product of the gold mines of California and Australia has constantly diminished, and, at the same time, several governments have modified their monetary system in favor of gold, and this notwithstanding the continued increase of population, which always requires a great increase of gold coin to effect exchanges. The latter has diminished from year to year, and the result of it is a situation the reverse of that which the discovery of the placer mines had brought about. Gold is acquiring greater value every day, and, consequently, prices are diminishing in proportion."

Mr. Robert Giffen, chief of the English bureau of statistics, whose competency in the question of prices is fully equal to that of Tooke, of Newmarch, and of Jevons, said, on the 21st of January, 1879, to the society of statistics, after he had demonstrated the reality of the fall of prices due to monetary contraction:—

It must be borne in mind that Mr. Giffen is one of the most distinguished monometallists of Great Britain, holding high public position. Mr. Giffen said:

We must express the wish that the countries in which silver circulates shall not replace any part of that metal by gold. That would be nothing less than a calamity to business, if a demand for gold similar to that of the United States and Germany were produced. Even a much smaller demand for gold would soon be attended by very serious consequences.

I might read, as I will read later, some further extracts with reference to this very question.

At the monetary conference of 1878, Mr. Goschen said, on the 19th of August, that to wish to introduce the gold standard everywhere was a piece of utopianism, not only erroneous but dangerous. He adds: "In that case, the general effort which would be made on every hand to get rid of the white metal might occasion the greatest disorders in the economic world, and produce a crisis more disastrous than any within the memory of man." Has Mr. Goschen not been a good prophet? All the states of Europe have proscribed silver and adopted the gold standard practically if not legally, and the crisis foretold by the eminent English statesman is unfolding under our eyes.

Mr. Soetbeer, the learned advocate of German monometallism, writes in the *Jahrbücher für National-Economie*, July 15, 1880, page 129, speaking of the general adoption of the gold standard:

"This solution of the monetary question would doubtless be theoretically the best, but the impossibility of realizing it in practice is so plain, that it is useless to stop to discuss a measure, the consequence of which would be the depreciation of silver and an absolute, incalculable decline of all prices."

I might read a great number of prophecies of this character. I pass on:

Between 1870 and 1885 economic progress was also considerable, but less than during the previous period, and nevertheless prices fell to a lower level than in 1850. How, then, can it be denied that monetary contraction was the cause of this? According to Mr. Sauerbeck, production in England between 1850 and 1870 increased 2½ per annum, and between 1870 and 1885 1½ only; while prices rose during the first mentioned period from 13 to 20 per cent, and fell during the second 30 per cent.

He refers again to the work of Mr. Douglas from which I have read, speaking of the appreciation of gold. He quotes Mr. Robert Giffen, and I desire to read that as the statement of the most distinguished monometallists of Great Britain as to the appreciation of gold:

The appreciation of gold is most fully and admirably proved and illustrated by Mr. R. Giffen, of the board of trade, in his long and elaborate essay on "Recent changes in prices," etc., dated December, 1888, and published in the *Journal of the Royal Statistical Society* for that month, pages 713-815. Unfortunately, that precious essay is not included by him in his recent volume, "The case against bimetalism," a reprint of his other and much less valuable papers bearing on this subject. That omitted essay affords one of the best answers to all the others on one of the great leading points of the currency question—the supposed steadiness of gold as a standard of value. I therefore must offer some extracts from this part of its contents, because comparatively few have access to the journals of the learned societies, and ordinary people are repelled by these being too often dry as well as learned.

After mentioning his paper in same Society's *Journal* in March, 1879, on "The Fall of Prices since 1873," in which he suggested that appreciation of gold had begun, or soon would do so, and his reiteration of this suggestion in an essay in 1885, he notices the fulfillment of his forecast by the admitted general fall of prices, amounting to an appreciation or rise in the purchasing power of gold. This conclusion he establishes (pages 720-722) by detailed references to the tables and index numbers or averages of the Economist, Mr. Sauerbeck, Mr. Soetbeer, the board of trade, and the American averages. His conclusions from these as to appreciation of gold are doubtless incontrovertible.

As to silver, he says (page 740): "If we avoid extreme years the average fall in commodities measured by gold rather exceeds the average fall in silver measured by gold. In other words, instead of speaking of the depreciation of silver," as compared with gold, "we should be quite justified in speaking of the appreciation of silver when we measure it by the average of commodities," which is the way in which he and all competent persons now and in former times have measured the values of both gold and silver. After stating many interesting facts and arguments, he remarks (page 750): "We can say positively that the recent change from a high to a low level of prices is due to a change in money, of the nature, or in the direction of

absolute contraction." And then he shows how the excess of imports of gold into England over exports of it in the fourteen years, 1858-1871, reached sixty-seven and three-quarter millions sterling of net import, or an average of about five millions annually, while in the following sixteen years, 1872-1887, the net import was under three-quarters of a million yearly, or eleven and one-half millions in all; whereas, if it had continued on the same scale as before, it should have approached eighty millions.

Thereupon he proceeds (page 753): "It is clearly impossible to contend there has been no change in the movement of gold, comparing the one period with the other. If we look at coinage or other details, the result would be the same. The stock of gold in England available for money has not been added to of late years as it was in the period just before. The stock with the additions has had to do more work, and it has only been able to do so because prices have fallen, and incomes have not risen, whereas from 1850 to 1873, when gold was going so largely into England, not only did prices rise a little but incomes a great deal." He adds that he believes the comparison would be still more striking "if we could compare the excess of gold imports from 1850 downward. But there are no official gold statistics before 1858." And further:

"The common opinion then" (in 1873 as to gold appreciation) "was different. It was freely said that as there was so much gold about, there was enough for every purpose, and prices (of commodities) would rise further." But the method of measuring and comparing the supplies of gold, as above "made a true forecast possible." And therefore he said in 1883, at the Bankers' Institute, when Mr. Goschen gave his invaluable address, proving the rise of gold and its vast upsetting effects, that if the supply of new (gold) money were not sufficient to keep up the equilibrium looking to the increase of the population and wealth, etc., of the gold-using countries (page 755), "then we may have a long-continued fall of prices from generation to generation, and this will probably have very great effects as time goes on."

He then deals with the effects of this appreciation of gold on the distribution of wealth, and says (page 759): "It is obvious beyond all question that these effects may be important." "The debtors pay more than they would otherwise pay, and the creditors receive more. The matter is thus not unimportant to the two large classes of people who make up the community. Appreciation is a most serious matter to those who have debts to pay. It prevents them gaining by the development of industry as they would otherwise gain."

As to landowners he shows (page 760) how appreciation of gold and consequent fall of prices has swept away the surplus value of many estates, especially of land, and also estates of other sorts, and made them insufficient even to pay the mortgages on them. Also, he illustrates the same kind of effect on stocks of various sorts.

He pointed out then, in 1888 (page 762), the prospect of "troublesome times, for instance, both for some of our Australian colonies and for a country like the Argentine Republic, even if the appreciation does not grow more serious than it has been. That the pile of debts has to be paid, principal and interest, in appreciating money, is a most serious consideration." We have already seen his forecast on these points sadly verified. Of course, there was overborrowing besides. Rising gold with falling wool, grain, and other produce contributed obviously and seriously to the results. Wool and grain, like silver, are (according to his opinion) said to "fall" because gold gets dearer, and you can buy more wool and grain with the same amount of gold. But the debtors have to send so much more wool and grain annually to Europe in payment of the same interest. This must be irritating to the borrowers, who are called to bear much heavier burdens than they undertook. They will prove unable to pay. And nothing could more reasonably, or at least plausibly, be made an excuse for repudiation or for cutting down the principal or interest to be paid.

Then he turns (page 763) to look at the probable course of prices in the future as affected by the probable "continued pressure on gold, against which the only compensation would be a more extended use of economizing expedients." "Such economizing expedients will in fact, as I believe, mitigate and modify the demand for gold, but the question is to what extent? And just as I believed in 1873 that they would not do so to the extent of preventing a fall of prices, should the supply of gold not increase, so I do not believe now that they will have a mitigating effect to any serious extent. The question then becomes, What is to be the supply of gold?"

He then discusses (pages 763-765) the prospects of increased supplies of both gold and silver from all sources—Transvaal included—already so far realized, and likely to be more so for both metals. But he indicates (pages 765-766) the strong probability of a further heavy divergence between the values of gold and silver, which also has thus far come true. Mr. Goschen's statements were to the same effect.

The sore and difficult ending follows (page 766): "Is there anything to be done by governments to mitigate the appreciation of gold or provide against its effects is a question that will necessarily arise;" but on this part of the subject he has said very little, and apparently he does not see his way to any important suggestions. Still the essay is of singular value, and that it should remain buried in the *Statistical Journal* is a sad pity, especially so far as it refers to prices of gold, silver, and other commodities.

Much of the essay is given, very fruitlessly, to tables of wages at different dates and places, and discussions of them, which leads him (page 743) to speak of "that most curious puzzle of all, which seems so insoluble, viz, the slowness with which wages adjust themselves in England and in India to the changed relations between gold and silver." This, he thinks, is accounted for by there "being no depreciation of silver in India answering exactly to its appreciation measured by gold in Europe." There is no depreciation of silver in India, and there is not going to be any. All Asia is a vast ocean of silver throughout which trade is carried on by payment in silver, weighed as in the days of Abraham, or coined in the modern fashion. Our gold and silver movements can at most only make a ripple on the edge of that silver ocean. The extra stir and business demand for labor created by shipping, and railways, large new factories, etc., must locally raise silver wages more or less where these causes operate—quite independently of any fluctuation in silver. Wages always differ much locally, even in the various parts of England.

The evidence before the gold and silver commission was very largely about wages and retail prices. These move very slowly. Many economists thought they should rapidly show results, in various places, by rise or fall, according to the rise or fall of silver and gold," but got no results worth mention. Let any one compare the steady price of bread in London for many years past with the fluctuations and cheapening of wheat.

Mr. Giffen's essay, which I have so largely quoted, was written by him with the reports and evidence published by the gold and silver commission before him. He had himself a very prominent place among their witnesses. He is a strong gold monometallist. Yet with all that information fully known and understood by him, he concluded as stated, that in relation to commodities gold had risen greatly, and silver had not fallen; and that the divergence seemed likely to continue and increase indefinitely, gold getting scarcer in proportion to the demand. (See also pages 24, 25.)

Other interesting writings by advocates of the English gold currency accept its appreciation and discuss the effects of that. I see no one seriously attempt to prove the reverse now. The question seems to be avoided. The

opponents of bimetalism fight their battle, as Mr. Giffen continues to do, on other grounds.

On this subject I desire to read from Mr. Goschen, member of Parliament, in an address delivered before the Institute of Bankers in England, April 18, 1883:

Let us now assume what I think is probable enough, that there will be a continuance of low prices—that is to say, a continuance of the increased value of the sovereign. Two classes would be permanently affected: one is the class which is entitled permanently to receive a given amount of sovereigns. They will be much better off. The class of debtors, on the other hand, who are bound to pay a given amount of sovereigns for a long period to come, will be much worse off. In the same way as the rise in prices generally is to the advantage of the debtor, so a fall in prices will be to his disadvantage.

And that leads me to another consideration. In examining the fall in price of various commodities, I did not allude to the value of consols and of securities. Have they fallen? No, they have not fallen. Ought they to have fallen? No, they ought not to have fallen. According to the theory they ought to have risen. Why? Because consols mean the right of the holder to a given number of sovereigns; and consols, and railway debentures and other such instruments which give the holder a right to a certain number of sovereigns, ought to have arisen, and they have risen. This squares entirely with the theory of the increased value of the purchasing power of gold. In the same way as commodities, measured by gold, have fallen, these which entitled the holder to a certain number given amount of gold ought to rise, and they have risen.

Let us proceed in inquiring what will be the effect upon various classes of the country on the assumption of the increased purchasing power of gold? As to the fundholder, I need not say any more. He will gain. He will receive his £3 per £100, and those £3 will be worth more than they were before. But perhaps they might be worth so much more that consols may rise beyond £100, and it may very likely occur to a chancellor of the exchequer that the fundholder, if the position admits of it, should have his interest reduced from £3 to £2 15s., or possibly £2 10s.

Now let me pass to another class. The holders of mortgages would be in a distinctly favorable position. While the mortgages run they will continue to receive a sum which will represent a larger purchasing power than it did before. Those on the other hand who have borrowed on mortgage will be in a worse position. They will be under contract to pay a given sum, which, measured by the value of all other commodities, will represent a greater value than before. To obtain that sum which they have to pay they would have to part with a greater quantity of commodities. The influence of this circumstance on landowners will not be overlooked. Landowners who have borrowed largely on their estates will be under contract to pay away a sum which represents more value than before, while the produce of the land, if ultimately that produce should generally fall in price like other commodities, would not secure the same amount of sovereigns.

It is impossible to see how farmers should be able to continue to pay the same amount of sovereigns for rent, if the prices of what they raise from the soil should permanently fall.

I have read some extracts from Mr. Allard's speech made in the Brussels conference, and I wish to read an extract from another speech made at the conference. Speaking of his former speech, he said:

I showed you—Mr. Jones has recalled it—how Mr. Goschen called attention at London in 1883 to the fall of prices and the rise of gold which was already visible.

In 1885 Mr. Goschen went to Manchester to give warning of the same danger.

In 1886 it was not Mr. Goschen, but the English Government which was concerned at the slacking of trade, and which appointed the well-known Commission on the Depression of Trade.

The following year, in 1887, Mr. Goschen again went to Manchester. He said to the manufacturers, "Take care. Gold is increasing in value, prices are falling, and a crisis menaces us."

In 1888 the English Government, becoming more and more concerned, appointed the Gold and Silver Commission.

In 1889 Mr. Goschen, who had become chancellor of the exchequer, ever more and more uneasy in regard to the appreciation of gold, proposed the establishment of one-pound notes. The number of pounds in circulation was insufficient.

He says on the next page (page 322):

I have shown you that the real evil followed not from the fall of silver, but from the appreciation of gold. Have you not heard from the delegates of Mexico that in theirs, a producing country, where the circulation consists solely of silver and where if that metal had been depreciated it would have been felt sooner of all, that the imaginary depreciation had never existed. Silver, they tell us, still buys in Mexico the same quantities as before.

That statement I made on the floor the other day, and this is a verification of it, because the Mexican delegates had made that statement, and were sitting in the conference when Mr. Allard was speaking:

It seems to me therefore obvious that it is the operation of the appreciation of gold which makes us believe in the depreciation of silver.

On page 324 he says:

As to the fall of silver there is none except that which we have created for ourselves in Europe, where silver is valued in gold. We have seen that there is no fall of silver besides that which we ourselves bring about in measuring it with gold, which is scarce. We are like children who make a shadow on the wall and are as alarmed at it as if it were a reality. I think that if we had been more reasonable, and if, instead of demonetizing silver in 1873, we had opposed that measure as we opposed the demonetization of gold in 1850, the shadow which we have created would never have existed, and we would still be in that era of prosperity which we regret to-day.

On page 326 he says:

It was for the same reason that gold appreciated, that it bought more and more commodities, and prices fell in consequence. This is a great revolution in which all take part, and which prevails in England more than anywhere else.

Again, on page 329, he says:

The fall of silver is obstinately spoken of, and the rise of gold is obstinately denied. Consider Mexico, where silver is produced. The metal is not depreciated there, for it buys as many commodities as before. "No matter," say the monometallists, "silver is depreciated, for we see that it is." "But," you tell them, "there is a crisis everywhere." "There is no crisis," they reply. "But," you say, "gold is more and more appreciated." "Quite

wrong," they say, "there is no appreciation of gold; there is only overproduction."

I have already read from the remarks by Sir William Houldsworth, delegate of Great Britain, on one point, and now I desire to read from him on another:

What is necessary for England is equally necessary for all the industrial nations of the world. Their interests in this matter are identical. Commerce is the great bond which unites all nations into one great international family, so that what prejudicially affects one must inevitably react prejudicially upon others. All, therefore, are equally interested in securing a common and secure basis for international trade. It is said that "the appreciation of gold has never been proved." If there has been a general fall in gold prices that is the proof. The one expression is the converse of the other. They respectively imply one another. They are only two ways of stating the same fact. Metallic money as a medium of exchange, as the tangible payment of debts, may have decreased (as some assert), credit instruments may or may not have taken their place.

But this is no answer. The broad fact still remains that a general fall of gold money prices has taken place (no one with the evidence before him can dispute that), therefore that of itself is all the proof required that the quantity of the commodity (gold) by which other commodities are measured has not kept pace with the quantity of the commodities which it measures. This can only be called an appreciation of gold.

The course of silver prices further illustrates this point. There the measuring commodity (silver) has kept pace with the commodities which it is called upon to measure in silver-using countries. Therefore silver prices have not fallen. There has been no appreciation of silver. I am glad to find that my honorable colleague, Mr. Rothschild, does recognize the "grievances" of India.

That is as much as I care to read on that point. I read again from the compromise proposed, presented by Mr. Alphonse Allard, delegate of Belgium and Turkey to the conference, on page 191 of this report:

This crisis, which was foretold in 1870, is now, it is said, in action. The disturbances which it produces are the more unjust and the more profound since the fall in prices is not produced by the development of labor or by the abundance of wealth, but by an artificial cause, which is none other than the law favoring silver and thereby producing appreciation of gold.

No variation in the level of prices can be observed in silver countries. It follows, therefore, that the depreciation of silver in Europe is only produced by the appreciation of gold.

It is said that this artificial fall in prices, caused by the appreciation of gold, has for its results terrible social inequalities, the ruin of our agriculture, the slackness of our industries, the distress of our workmen, and the uneasiness which prevails everywhere.

For twenty years there has been a continual endeavor on all sides to find some other cause, but none has been discovered; and therefore no more effectual remedy has been found than the monetary remedy.

It appears to me that the task to which this conference of 1892 is specially called is to counteract the evil of the fall of prices and the artificial appreciation of gold, and to combat the instability of exchange between the gold countries which constitute one-third of the world, and the silver countries which form the other two-thirds.

I do not desire to tire the Senate, nor take the time of the Senate unnecessarily, but it seems to me that the question whether gold has appreciated or silver has fallen is, after all, the vital question. As was said to me a day or two ago by the Senator from Washington [Mr. SQUIRE], and who called my attention to it, it appears to be the very gist of the whole thing. Has gold appreciated? If it has, and silver is still maintaining all over the whole its purchasing power, as I am endeavoring to show, then the question is, how shall we propose a remedy that shall not raise silver up, but bring gold down to its former position and keep it from continually appreciating? So I beg the indulgence of the Senate while I read a little further.

Mr. Van den Berg, a delegate of the Netherlands, made a speech in the conference. Although it is not just what I referred to before I had it in my mind but could not put my hand on it. He refers to Dr. Soetbeer's statement as to the amount of gold that is absorbed in industrial uses in the arts and trade, and says:

This result of the accurate investigations of Dr. Soetbeer has struck me all the more, as he was formerly one of those who was in no wise alarmed as to the scarcity of gold for monetary uses; and not to seem to exaggerate the importance of this I think I should recall the very words which the learned Dr. Soetbeer used to express his idea. This is what he wrote shortly before his death:

"One could not demonstrate by figures the incorrectness of the hypothesis that in recent years the industrial use of gold, together with the needs of Oriental countries and for private hoards, had materially arrested the increase of the monetary stock and had very probably absorbed the annual production of the metal; but proofs are equally lacking to support the contrary hypothesis."

Mr. Van den Berg goes on to say:

The sufficiency or the insufficiency of gold for the monetary uses of the world is, gentlemen, the real knot of the question before us. It is not unfamiliar that up till now the defenders of monometallism have always supported the idea that there was no lack of gold and that a more or less considerable appreciation of the yellow metal was entirely out of the question. The bimetalists alone were of the contrary opinion, but now one of the most fervent partisans of monometallism has joined their ranks and tells us that it is not silver which has fallen but gold which has risen. The partisan which I have in mind is the Statist of London, which is an authority in monetary and financial matters, and rightly so, because, unless I am mistaken it is written at the dictation, or at least at the inspiration, of the learned statistician, Robert Giffen. In the number of November 5 we read the following declaration apropos of the proposals submitted to the British Government in regard to the possible introduction of the gold standard in British India.

Now I read the quotation from the Statist:

We presume that the plan is based upon the mistaken notion that the value of gold is more stable than that of silver. We have seen that between 1873

and 1890 all gold prices fell ruinously. We have also seen that during the same period silver prices did not fall; in other words, while the smaller quantity of gold year after year exchanged for a larger quantity of all other commodities, silver included, the same quantity of silver, or nearly the same, exchanged for the same quantity of all other commodities, gold excluded. Does it not necessarily follow that it was the condition which determined the value of gold, which altered, not the condition which determined the value of silver; or, to put the matter into perhaps plainer language, does it not necessarily follow that the value of silver during the past twenty years has been far more stable than the value of gold?

And that is a gold monometallic authority equal to any in the world.

Mr. SQUIRE. What is the date?

Mr. TELLER. November, 1892. This is what Mr. Van den Berg says:

Gentlemen, has the weakness of gold monometallism ever been placed in clearer light than in the lines which I have just cited, written by one of the most convinced monometalists, by a "Gold Fanatiker" as the Germans say? If it be true that the price of silver has remained stable, and that it is gold which has risen during the last twenty years, that is a condemnation pure and simple of all monetary systems based upon gold, for the relative stability of its value is one of the essential conditions of a good money, and a gradual appreciation of the standard used to measure all values and affect all exchanges can not fail to be disastrous to all mankind, as it benefits only those who own it and aggravates the position of the others, the workers: in a word, the immense majority of the population.

I have a large number of citations here from various authorities as to the appreciation of gold, and to the effect that silver has maintained steadily its purchasing power, except as to gold. When measured by commodities, silver remained in its normal condition, still purchasing as much in its bar form to-day as it would in 1873, when it was demonetized. In 1873 an ounce of silver would not buy in this country a bushel of wheat by 3 cents—I am speaking now of the uncoined silver in this country. To-day an ounce of silver, as low as it is, will buy more than a bushel of wheat in any market in the world, or at least it will in this country, and it will come so near to it in the markets of Europe that it may be said to practically do that.

In 1873 an ounce of silver, treated simply as a commodity, would exchange for 6½ pounds of cotton. To-day the same silver can be exchanged for 10 pounds of cotton. That is true of all other products. Silver has not lost its purchasing power as compared with products. It has lost its purchasing power of gold; in other words, gold has increased in value 55 percent. In 1873 a man who owed a thousand dollars could pay it with a little over 800 bushels of wheat. To-day he must take 1,500 bushels of wheat to pay the same amount; and with his thousand bushels of wheat he could buy as much silver in 1873 as he can buy now.

As the Senator from Nevada [Mr. JONES] said the other day, when all things have changed except one the change is in the one and not in all; it is a change in the money that measures it, and nothing else.

I have here one or two authorities that possibly I had better read. The fall in the price of commodities and the rise in the price of money is one of a very serious character to the men who produce. It is especially serious to the men who are owing debts. It is especially serious to a country that owes large amounts of money in other countries and has to sell its products to pay its debts abroad. If the wheat that goes from this country to Europe could be sold at the old price of 1873 we would be very much nearer paying our debts than we are now. Where we sent one bushel of wheat then we must send nearly two to meet the same debt. Every year the price grows less and less. We must send more wheat every year than we sent the preceding. This money condition of the world has destroyed the doctrine of supply and demand to a great degree. With a great crop or a little crop or a great demand or a little demand the price is steadily downward.

Mr. President, what does the repeal of the act of 1890 mean? All the authorities so far as I know that are worthy of attention declare that with this repeal there must come a further fall in silver. It was repeated by a number of gentlemen in the conference of 1892 that the repeal of this act would mean a fall in silver. The English papers have declared within the last ten days that with the repeal of the act there would be a further fall in silver. Nobody can deny it. All business men are anticipating it. The further fall in silver is simply an appreciation of gold. It is simply a fall in prices, a lower price for everything that we manufacture, a lower price for everything that we create, a lower price for the thousand million dollars' worth of products that we export.

It will not do for the advocates of repeal to tell me that this is but a temporary thing; that when they have disposed of this bill, when they have the Sherman act off the statute book, they are prepared to give us proper legislation on this subject. If that was the sentiment of the people who are demanding repeal, they would have consented to some adjustment of this question. They would have consented that the people who fear and predict disaster to come to the industries of this country by contraction to be brought about by repeal might have something

given to them that would prevent the fear that they have expressed. But from the beginning it has been determined that it should be unconditional repeal or nothing.

There has never been an hour since the Senate met to consider this question that there has not been a majority of this body who believed in their hearts (and they have so expressed it, if not openly on the floor in private conversation at least), that there ought to be an adjustment of this matter; that there should be some provision made not simply for the purchase of silver, not simply in the interest of the mine owners, but in the interest of preventing a contraction; that there should be some steps taken to secure to the people of the United States an increase of money.

There is not a man living who will dare stand before the American people and declare to-day that there is not a necessity that every month there should be put into our currency more money, equal in extent at least to the growth of population, equal in amount to the demands that are made by new business, increased commerce and trade. No country growing as ours can afford to take the position of standing still on its money, and Senators who are favoring repeal dare not face that question.

They tell us to wait until the repeal takes place and they will give us something that is liberal; that if they take away the silver legislation they will add to the money of the country all that the business of the country demands.

Mr. President, that is not to be done. There will be, in my judgment, no effective legislation upon this subject in the next four years. There will be no effective legislation until the American people are heard from—not the bankers, not the Wall street people, not the boards of trade, but the great American voting population; and I believe that they will be heard from in a way that may be eventually effectual; that it will be found in time that the people will rule, and that no man or two or three men can stand in the way of a proper adjustment of this question.

We were told the other day that there was to be a compromise. We were told that the extremes were to meet, and those who demand a great deal on one side and on the other would yield something. If rumor is true a very large and respectable portion of the Senate had agreed to some adjustment of this difficulty. It is said in a way that justifies me in speaking of it that he who has no right to speak to us upon this subject declared that no compromise should take place; that it would be unconditional repeal or nothing.

Mr. President, the Senate has been in session for eleven weeks. The eyes of the whole American people have been upon the Senate. The demand has been made upon us from certain quarters for speedy action. We have deliberated and considered and discussed. We on this side of the Chamber, I mean those who have favored the largest use of silver as money, have been ready at all times to test this question, not in the forum of physical endurance, but in that which is becoming and befitting American Senators, in the forum of debate. We have challenged our opponents to meet us on every question and they have met us principally with taunts and revilings. They have met us by the old stale and worn-out and broken-down arguments of monometallism. They have denied the existence of facts as patent and as apparent as that the sun shines in the heavens. Then they turn around and tell us to get rid of this bill and at some time in the future they will consider this financial question.

This question, touching every man's interest everywhere in this country, is to be postponed to a more convenient season. What time can be more appropriate than the present, when the country is suffering, when the people are in distress, when the mills are shut up, and the country is full of unemployed and idle men? We have an abundance of time; why should there be haste? Why should we be asked to proceed to-day any more than next week or the week after?

A great party has come into power in all the departments of the Government, and here we are, after ninety days, with no financial system offered, no financial system provided. It was said here by myself more than six weeks ago that I assumed that this party would have a financial policy and would enunciate it. The Senator from Connecticut [Mr. PLATT] indicated that he thought I was rather too sanguine. I think, possibly, I was; at least we have seen no indication of a financial policy, but we are told it is to come later. When?

We are told also that if the Sherman law is repealed there will come prosperity; that the mills which are closed will be opened; that the unemployed will have employment; where there is now want there will be plenty; and where there is now idleness there will be labor. I am neither a prophet nor the son of a prophet, but I say here that the signs of the times do not indicate such a result, and the great metropolitan press, which have been preaching to us day by day that all that was needed to make good times was to repeal the Sherman act, yesterday in their columns, when they declared that the end of this controversy had come, that un-

conditional repeal was assured, took the precaution to inform their readers that they must not expect too much from repeal, that it was not assured that prosperity would come with repeal.

Mr. President, this country is not to see prosperity immediately. The world is disjointed and out of shape on account of the monetary condition; and we shall have in this country distress, stagnation, and paralysis of business, and the same will be the case throughout the world; it will prevail abroad as well as here. They will have it in Europe; and they will have it in every country where the gold standard prevails; and they will have it nowhere else. They have not had it in India; they have not had it in China; they have not had it in Mexico; they have not had it in Japan; they have not had it in any country that has been using silver as the standard, because the discarded silver of the world has gone to those countries, and they have had an abundance of metallic money, while other people have been suffering on account of the scarcity of money. So there has been prosperity, I repeat, and greater stability of prices in every portion of the world where silver is used as the standard, than in countries where gold is used.

Mr. HIGGINS. If the Senator will allow me to interrupt him, his statement is very interesting; but it reminds me that only this morning the newspapers published a telegram from Mexico indicating that times were as badly out of joint there as anywhere else. It is to be remarked that Mexico is a country having large gold obligations to Europe. On the other hand, we have information that the prosperity in China and Japan was never greater; that it has not been seriously affected by the stoppage of the coinage of silver in India, which has made a difference of exchange between India and other parts of the Orient. The purpose of my interruption was to ask the Senator if he understood there were good times now in Mexico?

Mr. TELLER. I understand there are good times in Mexico. I understand that Mexico in the last five years has made more progress than during any twenty-five years of its history.

Mr. HIGGINS. I am speaking about this time.

Mr. TELLER. Yes. The number of factories which have been started in Mexico in the last few years is remarkable. There is prosperity in Mexico, except so far as the public debt is concerned, which is payable in gold; and the Government of Mexico, like the Government of India, is in distress on that account. The taxes are collected in silver in Mexico, and their debts are payable in gold. The great railroad of Mexico, whose bonds are owned principally in Europe, has been paying 50 per cent of its income to turn its silver into gold; and in that respect that great railroad has been embarrassed. The Government, owing ten to twelve millions of interest every year, has been compelled to add the difference between the silver collected and gold, that is, what silver will buy in gold, making their interest debt in Europe instead of \$12,000,000 somewhere in the neighborhood of \$18,000,000. That is the trouble which exists in Mexico.

A distinguished Mexican said to me within the last four weeks that Mexico was prosperous. He is a man who ought to know the condition of Mexico if any man does. When I asked him, "Will you close your mints if silver goes lower?" he replied, "We shall not close our mints if silver goes to 50 cents an ounce." He said, "Mexico was never prospering as now; but what we sell we sell for silver, and what we buy we buy for gold; and the prices are so high that our people are ceasing to buy foreign goods and are themselves manufacturing."

Now, let us go to Japan and China. China has been substantially stable in all her prices for twenty years. I know that when the disturbance came in the fall of silver, and when it was reported that the Mexican nation would cease to coin silver dollars and close its mints, the merchants of Hongkong, became frightened, held a meeting to determine how they could manage to do business there, because they had been in the habit of using Mexican silver dollars as their currency. That is the only disturbance I can learn of in China. When they found that the Mexican Government did not intend to close its mints, but would continue to coin silver, they were content. This is the latest advice I have from China and it is quite recent.

There is no question of the appreciation of gold; there is no question that that appreciation of gold is bearing heavily upon all the productive energies of this country and of the world. There is no question that the only men who are being benefited by it, as the Senator from Nevada [Mr. JONES] has repeatedly said, and as Mr. Allard has said, are the annuitants, those who have fixed incomes, and the people who hold the credits of the world, who hold consols and bonds which are payable in gold. They are benefited because the amount to be paid remains the same, while the purchasing power of every dollar is doubled, and the ability of every man to pay is decreased by the appreciation of gold just in proportion as it appreciates. If the appreciation is 45 per cent, then he is 45 per cent worse off than he

calculated when he made his contract; if it is 55 per cent he is 55 per cent worse off than when he made his contract.

Mr. President, no year of jubilee comes to the debtor class and no year of jubilee will come to them, until we rehabilitate silver and bring gold down to where it ought to be.

History shows that the greatest benefit the world has received was when the burden of debt was removed from the people, and that the greatest calamity which can befall any people in the world is to have the burden of debt increased.

I presented here recently statistical information to show that the debts of this country had been increased to such an extent that it seems to me it will be impossible for the makers of these debts ever to pay. The only government in the world we know of which released all debtors was that which came directly from the Divine command, and which provided that every fifty years the debtor should go free. It was a wise provision of law; it was an economic principle, that it would be well should be applied by all nations, but no year of jubilee is proposed here; pay or get out is the rule now.

I stated on a former occasion that the English system of finance adopted in 1816 and completed in 1819 by the so-called Peel act, changed the condition of the landowners of Great Britain, reducing their numbers to one-fourth, changing entirely the landed system of the country, under which the great productive farming power of the country, the independent farm-owner disappeared. That will be the condition in this country if the present policy is continued. The American farmer who owns his farm will in a generation be a thing of the past.

Mr. President, it is important for us to consider whether we shall destroy the best element of American manhood by our system of finance.

Mr. GEORGE. I should like to ask the Senator if he means to be understood as saying that the number of freeholders or landholders in Great Britain has been decreased to about one-fourth of the original number?

Mr. TELLER. It is even worse than that.

Mr. HIGGINS. To one-fourth or by one-fourth?

Mr. TELLER. To one-fourth. In a few years, in a generation, of the men who owned their farms and tilled them under that system three-fourths of them disappeared; and that is what is laid out for us.

It will not do for anybody to tell me that this proposed legislation is in the interest of an honest dollar. It has to be done in the interest of a dishonest dollar, or robbery and thievery and fraud upon the productive energies of the American people.

Mr. HIGGINS. I should like to ask the Senator whether it is his serious contention that the reduction and almost extirpation of the number of freehold farmers who till their own land in Great Britain was occasioned by such a cause as he has stated?

Mr. TELLER. Will the Senator tell me what was the cause?

Mr. HIGGINS. I believe that Alison, the historian, attributed it to free trade, but certainly the culmination occurred several decades ago.

Mr. TELLER. Alison did not attribute it to free trade. That class of farmers disappeared practically before free trade was adopted. Free trade was not adopted in England until after the great depression which came by the Peel act, described so graphically by the Senator from Nevada [Mr. JONES] the other day, and described hundreds of times by publicists and writers upon this question, which could hardly have escaped the attention of the Senator.

Mr. HIGGINS. Certainly the reduction of the number of freeholders in Great Britain who till their own farms could not have been caused by the failure of the world to use silver.

Mr. TELLER. Oh, Mr. President, it is not that. The world used silver, but England went to the gold standard, and attempted to do her business upon a limited amount of money. That is what she did, and that is what brought disaster. But does the Senator deny that there was for twenty years the greatest distress in Great Britain which ever existed in any country? If he will take Doubleday's history of the transactions of that period, he will find that men went to Parliament with petitions declaring that they had paid out large sums, amounting in some instances to almost two or three hundred thousand dollars for estates, and then had to mortgage them for half the money, which they could not pay, and so had lost their estates, and asked Parliament to grant them relief. I think the Senator from Nevada recently in his first speech alluded to that. The whole matter can be found in Doubleday's Financial History of England, published in 1847.

Mr. HIGGINS. If the Senator will permit me, it is a subject upon which I have not read recently, but I well remember reading one of the last speeches of Mr. John Bright, in which he attributed that distress to the duty upon corn, and that it placed the price of grain at a very unreasonable height in Great Britain, which made great profits to the landowner, so that he was

able, and it was to his advantage, to buy out tenant farmers, and that he did so.

Mr. TELLER. It was not the landowner who bought out the tenant farmer. John Bright could never have made that statement. It was the banker, and the merchant, and the broker who bought the land; it was not the men who tilled the land who bought, but it was the men who had capital and lived in cities and accumulated great amounts of land, which they leased out. Before that time the rule all over Great Britain was that the men who owned 200, 400, or 500 acres of land belonged to what they called in that country the yeomanry. They were the bone and the sinew of the land, and it was from that class that there came the soldiers, and the sailors, and the defenders of the English flag and the illustrators of the glory of the English race.

Mr. HIGGINS. It is my recollection that previous to the adoption of the law repealing the corn laws the change of property in Great Britain was the aggrandizement of the estates of its nobles and its gentry, and it was owing to the great prosperity to trade which sprang up in England subsequent to the repeal of the corn laws, and consequently the advantage of England in the markets of the world which enabled the trades people to become the purchasers of estates. Certainly that has been the case in Ireland in later days.

Mr. TELLER. The Senator from Delaware will have ample time to explain his position. I say that he is incorrect. The Peel act was passed in 1819. That was the culmination of the act of 1816. In 1822, so bad had the condition of Great Britain become under the Sir Robert Peel act that they were compelled to suspend the operation of the act for some years, and a portion of the distress came during the following ten years, and afterwards, but it had culminated before the repeal of the corn laws in 1842. The Senator first said it was free trade, and now he says it was the corn laws.

Mr. HIGGINS. I stated that Alison, the historian, said it was free trade. I informed the Senator, and he will so find in an essay published in Blackwood's Magazine in 1849. I did not give it as my view, but I simply referred to that authority.

Mr. TELLER. I do not remember what Alison said, but the history of the world, an examination of its position, and the petitions which went up to Parliament, explain the condition of the country at the time when it was declared that the landowners had been robbed and destroyed by the capitalists of the country. That ought to convince the Senator, and I think it will. I am not asserting it on my own statement alone, but it has been asserted again and again that England's going to a gold standard brought about a condition which nobody can deny existed.

It has been depicted and described by historian after historian. Some of them have said that it did not result, perhaps, altogether from the change in her financial system, but, in my judgment, it did result from that cause, and it brought about the condition I have mentioned; so that the man who owned from 200 to 400 acres of land and tilled it with his boys, and worked it with his own hands, and whose wife and daughters worked in the same way—that class has disappeared rapidly from Great Britain, and they are now the exception, while they were the rule before. Nobody can deny that.

That is, I repeat, what will be done in this country. You will place such burdens upon the American farmer that he will be utterly unable to remove the mortgage upon his property. This will be done by degrees; not in a year, not in ten years; but in a generation you will see American farmers as independent landowners disappear in this country. I do not suppose legislation here is intended for a month, or six months, or a year. I am not so much concerned as to what may happen tomorrow, but I am concerned as to the logical sequence of the principles which are here to be adopted, or to flow from them in one year or ten years or twenty years or thirty years; and he is a very careless and a very ignorant legislator who legislates only for to-day and who sees no evil ahead.

Mr. GEORGE. I should like to ask the Senator if he has made any investigation of this question recently, and whether the relative proportion of landowners to our own agricultural population has increased or decreased within the last few years?

Mr. TELLER. I suppose that the farming population has probably increased. I think the landowners, owing to the land in the new States, have been on the increase. Of course we have had a large amount of virgin soil to divide amongst our people; we had the great plains of the West to be settled, and we have given a farm to every man who would go upon it. To-day that is practically over; as the Senator from Delaware rightfully said, we have reached the point now where there will be comparatively few farms made hereafter from unimproved lands—more in the extreme West, where irrigation prevails, but very little in any other section of the country.

But there is one thing which nobody denies, that farm mortgages have increased at a rapid rate. If Senators will take up

the census reports and take one State after another they will find the heading, "Farm mortgages have progressively increased." If the mortgages amounted to so much ten years ago, you will know they amount to more this year.

I have here a statement, which I presented to the Senate on the 21st of August and had printed, and I then challenged anybody to deny the correctness of it, because I took some little pains to satisfy myself that it was correct. It is the statement made by Mr. Frederick C. Waite relative to the cause of the financial and industrial depression, which has been printed as a Senate document. I did not intend to refer to it, but as it bears upon this question I think it proper that I should quote from it. Mr. Waite says:

The most astonishing increase of all, however, is in the real estate mortgage indebtedness, as disclosed by the investigations of the Eleventh Census. Let us remember that this is largely the debt of the hardest working and the poorest paid of all our American citizens, namely, the farmers and the laborers who are trying to obtain a home of their own by honest toil. In the twenty-one States for which the mortgage indebtedness has been tabulated the aggregate amount in force at the close of 1889 was four thousand five hundred and forty-seven millions with the great States of Ohio, Texas, and California, and whole groups of lesser States yet to be heard from. The grand aggregate will be no less than six thousand three hundred millions. The aggregate in 1880 was only about two thousand five hundred millions.

So the farm indebtedness, if this statement be correct, has more than doubled in ten years.

Last year, after turning the scale at eight thousand millions, the mortgage indebtedness continued its upward flight, not being contented with an increase of 230 per cent, or nearly four times the increase in the true value of real estate.

In a word, the total net private indebtedness of the American people equaled, in 1889, but \$6,750,000,000. Last September it amounted to nineteen thousand seven hundred millions, an increase of thirteen thousand millions in the short period of twelve years.

If anybody can contemplate with equanimity the condition of the American people with that amount of indebtedness to pay, with falling prices, with languishing industries, he must be different from most men.

When you realize that the holders of this \$19,700,000,000, or at least a portion of it, held in the great cities and the great money centers, are the agencies which have been assailing the Senate for ninety days to hasten to give them an extra opportunity to take an additional sum out of their debtors, you need not wonder that the abuse has been violent and vicious. They are fighting for a stake so large that they can afford to be aggressive; they can afford to bring upon the Senate agencies never before brought to bear upon it.

I have said before, and I repeat now, their stake is too great to hope or expect that they will relax their efforts. They mean to put this country, if possible, upon a low plane of prices, because when they do that they increase the purchasing power of every dollar they hold, and then we shall be told that all of this is done that we may have an honest dollar, a dollar of the greatest purchasing power. Mr. President, the dollar which has appreciated 55 per cent in twenty years is not an honest dollar. What we want is a dollar which maintains the stability and uniformity of prices in this country, so that a man who enters into an engagement to-day to manufacture or to do any kind of business may know something about what he will get for his product to-morrow.

I have a large number of quotations from various writers on this subject, which I thought I should use in the course of my remarks, but I do not think I shall take the time to-day to do it. I have here, however, an article written by Mr. J. Barr Robertson, which was published in the February number of the Journal of the Society of Arts, in the city of London, entitled "The currency problem." I had intended to quote at considerable length from this article, as it contains some very excellent suggestions, is very instructive, and is written in a most candid manner; but, instead of using it in my remarks, I ask permission of the Senate to have it published as a document, because I think it will furnish to Senators, no matter what their views may be on the subject, information which they will be glad to get.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Colorado? The Chair hears none, and the article referred to will be printed as a document.

Mr. TELLER. I now yield to the Senator from Washington [Mr. SQUIRE].

#### SCHOOLS OF MINES.

Mr. DUBOIS. I ask the Senator from Washington to yield to me in order that I may call up Senate bill 1040, which I think will not lead to any debate.

Mr. SQUIRE. I yield to the Senator from Idaho.

Mr. DUBOIS. I ask unanimous consent for the present consideration of the bill (S. 1040) to aid the States of California, Oregon, Washington, Montana, Idaho, Nevada, Wyoming, Colorado, and South Dakota to support schools of mines.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Colorado?

Mr. DUBOIS. I ask that the bill be read.

The VICE-PRESIDENT. The bill will be read.

The Secretary read the bill.

Mr. TELLER. I notice that the bill provides for the payment of 25 per cent to the States named in the bill of the amount paid to the United States for mineral lands within those States. A similar bill has been passed three or four times and it has always been passed with a provision for 50 per cent. I shall move to strike out "25" and insert "50."

Mr. DUBOIS. That will be entirely agreeable to me.

The VICE-PRESIDENT. The Senator from Idaho asks unanimous consent for the present consideration of the bill. Is there objection?

Mr. McPHERSON. I think the bill had better go over until to-morrow, so that we may have an opportunity to examine it.

Mr. DUBOIS. I will state to the Senator that the bill has been reported from the Committee on Public Lands.

Mr. WASHBURN. When the bill shall be under consideration, I shall move an amendment to insert "Minnesota" in the list of States named.

The VICE-PRESIDENT. Objection has been made to the present consideration of the bill, and it will go over.

#### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. T. O. TOWLES, its Chief Clerk, announced that the House had agreed to the amendments to the Senate to the joint resolution (H. Res. 66) that the acknowledgments of the Government and the people of the United States be tendered to various foreign governments of the world in commemoration of the discovery of America by Christopher Columbus.

The message also announced that the House had passed the following bills; in which it requested the concurrence of the Senate:

A bill (H. R. 693) for the relief of the heirs of Martha A. Dealy, deceased; and

A bill (H. R. 913) for the relief of Louis C. Williams.

The message further announced that the House had passed concurrent resolutions regulating the engrossment and enrollment of bills and joint resolutions.

#### DEATH OF REPRESENTATIVE MUTCHLER.

The message also announced that the House had passed resolutions commemorative of the life and services of the Hon. William Mutchler, late a Representative from the State of Pennsylvania.

Mr. QUAY. Mr. President, I request that the resolutions just received from the House of Representatives, relative to the death of my late colleague, Mr. Mutchler, lie on the table for the present. At the proper time I shall ask the Senate, by appropriate action, to pay fitting tribute to the virtues of the deceased.

The VICE-PRESIDENT. The resolutions will lie on the table.

#### INVESTIGATION OF FORD'S THEATER DISASTER.

Mr. WHITE of Louisiana, from the Committee to Audit and Control the Contingent Expenses of the Senate, to whom were referred the resolutions submitted by Mr. HARRIS, October 7, 1893, reported them adversely, and submitted a report thereon.

The resolutions were read, as follows:

*Resolved*, That a select committee of five Senators be appointed by the Chair to investigate the Ford Theater disaster and report to the Senate whether in equity and justice the Government should compensate the sufferers of that disaster for the injuries sustained by them, and if it shall be decided that they should be compensated, then the committee will investigate each individual case and report the amount of compensation that should be allowed in each case. Be it further

*Resolved*, That the committee may employ a clerk who is a stenographer and who shall do the stenographic work of the committee as clerk, and that the committee shall have power to send for persons and papers, and the chairman of the committee, or of any subcommittee, may administer oaths. Be it further

*Resolved*, That the expenses of said investigation shall be paid out of the contingent fund of the Senate.

*Resolved further*, That said committee may act jointly with a similar committee of the House of Representatives if the House shall appoint such committee, and that the committee may report by bill or otherwise.

The VICE-PRESIDENT. The resolutions will lie on the table.

Mr. GORMAN. I suggest, as the resolutions are reported adversely, that they be postponed indefinitely.

Mr. WHITE of Louisiana. I hope the Senator will not make that motion.

Mr. GORMAN. I withdraw it.

Mr. WHITE of Louisiana. I simply ask that the resolutions lie on the table.

The VICE-PRESIDENT. It will be so ordered, in the absence of objection.

Mr. HARRIS subsequently said: I desire to ask what disposition was made of the resolutions introduced by myself some days ago and referred to the Committee to Audit and Control the Contingent Expenses in regard to the Ford Theater sufferers.

The VICE-PRESIDENT. The Chair will state to the Senator

from Tennessee that the resolutions were reported adversely by the committee and laid on the table.

Mr. HARRIS. Let them lie on the table, and I shall ask the Senate, possibly to-morrow, to consider them.

#### ACTING ASSISTANT DOORKEEPER.

Mr. WHITE of Louisiana, from the Committee to Audit and Control the Contingent Expenses of the Senate, to whom was referred the following resolution introduced by Mr. HALE, August 30, 1893, reported adversely thereon, and the resolution was ordered to lie on the table:

*Resolved*, That the Sergeant-at-Arms be, and he is hereby, authorized to employ an additional acting assistant doorkeeper at an annual salary of \$2,500, to be paid from the miscellaneous items of the contingent fund of the Senate.

#### ASSISTANT ENROLLING AND ENGROSSING CLERK.

Mr. WHITE of Louisiana, from the Committee to Audit and Control the Contingent Expenses of the Senate, to whom was referred the following resolution submitted by Mr. DOLPH, August 3, 1893, reported adversely thereon, and the resolution was ordered to lie on the table:

*Resolved*, That the Secretary of the Senate is authorized and directed to appoint an additional clerk, to be designated assistant enrolling and engrossing clerk, at an annual salary of \$2,400 per annum, to be paid out of the contingent fund of the Senate for the remainder of the fiscal year.

#### THOMAS WILLIAMS.

Mr. WHITE of Louisiana, from the Committee to Audit and Control the Contingent Expenses of the Senate, to whom was referred the following resolution submitted by Mr. WOLCOTT, September 12, 1893, submitted an adverse report thereon, and moved that it be referred to the Committee on Claims; which was agreed to:

Whereas Thomas Williams, in the proper discharge of his duties as laborer in the folding room of the Senate, on the 8th day of August, 1893, was seriously injured in the freight elevator, having the heel of his right foot badly injured and the flesh entirely scraped away, rendering a permanent injury, and from the results of which he was confined to his bed for five months after the accident and is still suffering therefrom:

*Resolved*, That the Secretary of the Senate be, and he is hereby, authorized and directed to pay to the said Thomas Williams out of the contingent fund of the Senate the sum of \$600, to enable him to pay for medical and other expenses incurred and which may hereafter be incurred on account of said injuries.

#### ASSISTANT CUSTODIANS AND JANITORS.

Mr. GORMAN. I submit at this time a resolution asking for information of importance to the Committee on Appropriations, which I desire to have read.

The VICE-PRESIDENT. The resolution will be read.

The Secretary read as follows:

*Resolved*, That the Secretary of the Treasury be directed to report to the Senate as early as practicable the number, names, title of office or employment, rate of compensation, and date of appointment of all persons now employed at each public building under control of the Treasury Department and paid out of the appropriation for "pay of assistant custodians and janitors, fiscal year 1894."

Mr. GORMAN. I only desire to state to the Senate that there appears to be a large deficiency in the appropriation made for this purpose, and an additional appropriation is asked for. The information requested by the resolution is desired by the Committee on Appropriations before it acts on the matter. I ask for the present consideration of the resolution.

The VICE-PRESIDENT. Is there objection to the present consideration of the resolution?

The Senate, by unanimous consent, proceeded to consider the resolution.

Mr. CALL. I understood that the report made by the Senator from Missouri [Mr. COCKRELL] in reference to the several Executive Departments of the Government contained the information asked for by the resolution of the Senator from Maryland.

Mr. GORMAN. No, it does not contain the information which the committee desire. This resolution is to cover a specific case in reference to a deficiency of \$150,000.

Mr. CALL. I have no objection to the resolution, but I understood that the information sought had been previously furnished.

Mr. GORMAN. No.

The VICE-PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

#### HOUSE BILLS REFERRED.

The bill (H. R. 693) for the relief of the heirs of Martha A. Dealy, deceased, was read twice by its title, and referred to the Committee on Public Lands.

The bill (H. R. 913) for the relief of Louis C. Williams, was read twice by its title, and referred to the Committee on the Quadro-Centennial (Select).

#### ENGROSSMENT AND ENROLLMENT OF BILLS.

The VICE-PRESIDENT laid before the Senate the following

concurrent resolutions of the House of Representatives; which were read:

*Resolved by the House of Representatives (the Senate concurring).* That, beginning with the first day of the regular session of the Fifty-third Congress, to wit, the first Monday in December, 1893, in lieu of being engrossed, every bill and joint resolution in each House of Congress at the stage of the consideration at which a bill or joint resolution is at present engrossed, shall be printed, and such printed copy shall take the place of what is now known as, and shall be called, the engrossed bill, or resolution, as the case may be; and it shall be dealt with in the same manner as engrossed bills and joint resolutions are dealt with at present, and shall be sent in printed form, after passing, to the other House, and in that form shall be dealt with by that House, and its officers in the same manner in which engrossed bills and joint resolutions are now dealt with.

*Resolved.* That when such bill or joint resolution shall have passed both Houses it shall be printed on parchment, which print shall be in lieu of what is now known as, and shall be called, the enrolled bill, or joint resolution, as the case may be, and shall be dealt with in the same manner in which enrolled bills and joint resolutions are now dealt with.

*Resolved.* That the Joint Committee on Printing is hereby charged with the duty of having the foregoing resolutions properly executed, and is empowered to take such steps as may be necessary to carry them into effect, and provide for the speedy execution of the printing herein contemplated.

Mr. COCKRELL. I desire, in connection with these resolutions, to submit a report from the Joint Commission to Inquire into the Status of the Laws Organizing the Executive Departments, etc., recommending the resolutions. I ask that the report and the resolutions be printed, and for the present lie on the table, until I can call them up.

The VICE-PRESIDENT. It will be so ordered.

#### OCEAN DERELICTS.

Mr. FRYE. I ask unanimous consent to make a report from the Committee on Commerce at this time. I am instructed by the Committee on Commerce to report, without amendment, the joint resolution (H. Res. 55) for the reporting, marking, and removal of derelicts; and I ask for its present consideration.

By unanimous consent, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution. It proposes to appropriate \$5,000 to enable the President of the United States to make with the several governments interested in the navigation of the North Atlantic Ocean an international agreement providing for the reporting, marking, and removal of dangerous wrecks, derelicts, and other menaces to navigation in the North Atlantic Ocean outside the coast waters of the respective countries bordering thereon.

Mr. FRYE. I merely desire to state that the hydrographic chart for 1893, in February, showed that west of a line in the Atlantic Ocean drawn from the Bermudas to Cape Race and Newfoundland there were 983 of those wrecks. The pilot chart of the same month showed 45 wrecks, 25 of which were directly in the tracks of our transatlantic steamers. The life of these wrecks is on the average about thirty days.

There have been added to the number I have given, every month for about five years, at least 16, and I have no doubt today that our sailors are much more terrified at the presence of these derelicts than they are at storms or anything of that kind.

The Maritime Congress, which met here four years ago, recommended very earnestly that the different countries should unite and have such of these derelicts marked as could be marked, and that as fast as possible the balance should be destroyed. This action has been taken now after the lapse of four years, and I trust that the Senate may concur with the other House and pass the joint resolution.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

#### NEW ENGLAND COAST STEAM REVENUE CUTTER.

Mr. FRYE. I am also instructed by the Committee on Commerce to report favorably, and without amendment, the bill (H. R. 3421) providing for the construction of a steam revenue cutter for the New England coast.

I ask unanimous consent for the present consideration of the bill, for the reason that the proposed revenue cutter is to take the place of the Gallatin, which was destroyed in a severe storm about a year ago. The Secretary of the Treasury says that it is absolutely necessary that one shall be immediately built, and it is important that the building should commence at as early a day as possible.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill. It authorizes the Secretary of the Treasury to have constructed a steam revenue cutter of the first class for service on the New England coast, at a cost not exceeding \$175,000.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

#### PURCHASE OF SILVER BULLION.

The Senate, as in Committee of the Whole, resumed consideration of the bill (H. R. 1) to repeal a part of an act, approved July 14, 1890, entitled "An act directing the purchase of silver bul-

lion and the issue of Treasury notes thereon, and for other purposes."

Mr. SQUIRE. Mr. President, I desire to discuss the bill which is under consideration by the Senate; but I wish to do so more particularly with reference to the amendment offered by myself, which I ask may be read.

The VICE-PRESIDENT. The amendment intended to be proposed by the Senator from Washington will be read.

The Secretary read the amendment intended to be proposed by Mr. SQUIRE; which was to strike out all after the enacting clause of the bill, and insert:

That hereafter any owner of silver bullion, the product of mines or refineries located in the United States, may deposit the same at any mint of the United States, to be formed into standard dollars of the present weight and fineness, for his benefit, as hereinafter stated; but it shall be lawful to refuse any deposit of less value than \$100, or any bullion so base as to be unsuitable for the operation of the mint: *Provided, however,* That there shall only be delivered or paid to the person depositing said silver bullion such number of standard silver dollars as shall equal the commercial value of said silver bullion on the day of deposit, as ascertained and determined by the Secretary of the Treasury; the difference, if any, between the mint or coin value of said standard silver dollars and the commercial value of the silver bullion thus deposited shall be retained by the Government as seigniorage, and the gain or seigniorage arising from such coinage shall be accounted for and paid into the Treasury: *Provided,* That the deposits of silver bullion for coinage into silver dollars under the provisions of this act shall not exceed the sum of \$2,000,000 per month. The amount of such seigniorage or gain shall be retained in the Treasury as a reserve fund in silver dollars, or such other form of equivalent lawful money as the Secretary of the Treasury may from time to time direct, for the purpose of maintaining the parity of value of every silver dollar, issued under the provisions of this act, with the gold dollar issued by the United States; *Provided further,* That when the number of standard silver dollars coined under the foregoing provision shall reach the sum of \$100,000,000 then all further coinage of silver dollars shall cease.

SEC. 2. That the said silver dollars shall be a legal tender in all payments at their nominal or coin value.

SEC. 3. That no certificates shall be issued to represent the silver dollars coined under the provisions of this act.

SEC. 4. That so much of the act approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes," as directs the Secretary of the Treasury to purchase from time to time silver bullion to the aggregate amount of 4,500,000 ounces, or so much thereof as may be offered in each month at the market price thereof, not exceeding \$1 for 371.25 grains of pure silver, and to issue in payment for such purchases Treasury notes of the United States, be, and the same is hereby, repealed.

SEC. 5. That the Secretary of the Treasury is hereby authorized to issue, sell, and dispose of, at not less than par in coin, bonds of the United States bearing interest not to exceed 4 per cent per annum, payable semiannually, and redeemable at the pleasure of the United States after five years from their date, with like qualities, privileges, and exemptions provided for the bonds at present authorized, to the extent of \$300,000,000, and to use the proceeds thereof for the purpose of maintaining the redemption of the United States notes according to the provisions of the act approved January 14, 1875, and for the further purpose of maintaining all the money of the United States at par with the gold dollar.

SEC. 6. That hereafter national banking associations shall be entitled to receive from the Comptroller of the Currency, upon compliance with all other terms and requirements of law therefor, circulating notes of different denominations, in blank, registered and countersigned as required by law, to the value at par of the United States bonds on deposit with the Treasurer in trust for the association: *Provided,* That the aggregate sum of such notes for which any association shall be liable at any time shall not exceed the amount of its capital stock at the time actually paid in.

Mr. SQUIRE. Mr. President, my original intention in offering the amendment proposed by myself was to embrace in it that which would be a reasonable solution of the great question now before us, so as to secure an early and decisive vote, and thereby in a reasonable way quiet the agitation throughout the country in regard to the national finances. I have endeavored to find that "middle path," which is the path of safety. Now, the object is the same, but the conditions are different. We are assured that a vote will be permitted by the minority upon the main question and the amendments thereto. Several amendments have been proposed, but none of them appear to me to reach the heart of the difficulty, or to satisfy the just expectations of those who are not extremists in either direction, unless this may be accomplished in the plan proposed in my amendment.

Originally I was for repeal, and am so now, and when the vote shall be taken on the main question, I shall be found standing with those who are in favor of repeal. Within a week from the time that we convened here in extra session it would have been proper in my judgment to have authorized the President of the United States to suspend the operation of the so-called Sherman act, especially with reference to the clause directing the purchase of silver by the United States Government.

Mr. President, I would have acted in this matter as I would had there been a conflagration raging, taking a hand in carrying a bucket. I would stand by the President of the United States as I would have done had there been a foreign invasion or a great civil insurrection, authorizing him to call out men for the purpose of protecting the interests of our country.

As to the Sherman act all sensible men had long ago arrived at the conclusion that the experiment in that direction had proceeded far enough to demonstrate its failure, in view of the distrust that was being created in reference to the ability of the United States Government to maintain its credit on the gold basis, which is now the policy of the Government.



Instead of proceeding promptly to repeal the purchasing clause of the Sherman act and then devoting ourselves to new measures in aid of a sound and sufficient currency, we have gone into discussion of the whole subject during the past three months, and the American people, our constituents, have also been studying the subject, so that I feel that we are now prepared to enact some positive legislation instead of contenting ourselves with simple repeal. It has been openly stated on the floor of the Senate by the chairman of the Committee on Finance that as soon as the present question of repeal shall be settled he proposes to introduce new legislation on the silver question and other collateral currency questions, which will open up other wide fields of debate.

The tendency of the proposed future discussion will naturally be such as to still further agitate the public mind on this general question; and therefore it seems to me proper to ask the Senate at the present time to act on certain main propositions so as to settle this business for the present in a manner to allay all irritation and to be just to all interests. It has been said in story that Nero, the Emperor of Rome, amused himself by playing the violin while Rome was burning. Is there any reasonable excuse for us to be fiddling further over this subject? Can we not reach some reasonable, comprehensive, and just conclusion on the leading questions involved without further delay, and thus give tone and vigor to the nation and assist to restore the business interests of the country to their normal status?

There are four phases to my amendment: One is the repeal of the purchasing clause of the Sherman act; but the leading feature of the proposed amendment is the recognition of silver under conditions that I am led to believe will be satisfactory at the present time to many advocates of the free coinage of silver.

I may say that it has been my endeavor to consult with those Senators representing the great silver-producing States, and to ascertain, if I might, from them, that which they could afford to accept; and I have been informed by some of them—not by all—that they would be willing to accept the provision for silver which is embodied in the terms of my proposed amendment.

Not that this is all they desire, but that it comprehends such a continuation of the use of that metal as money as to save it from utter repudiation, and such further use of it as a money metal as this great Government can afford to undertake at the present time, without impairing the credit of the Government, and without shocking the sensibilities of those who are fearful of an early approach to a silver basis under the present existing conditions. In a word, I propose that which might be termed the "free coinage of silver," limited to \$2,000,000 per month, the aggregate of the money coined not to exceed \$100,000,000.

I propose that any holder of silver bullion, the product of American mines or refineries, may deposit his bullion with the Government to be coined into silver dollars of the present weight and fineness; and that he shall receive therefor in coined silver dollars the market value of the bullion on the day of deposit, such market value to be ascertained and determined by the Secretary of the Treasury. I propose that all the money thus coined above the market value of the silver bullion deposited on the day of deposit, shall be covered into the Treasury as a reserve fund, sacred to the maintenance of a parity of value between the silver dollars thus coined and the United States gold dollar.

I further propose that the seigniorage or surplusage thus coined above the value of such bullion may be transferred at the pleasure of the Secretary of the Treasury into any other form of equivalent lawful money. Thus it can be transferred into subsidiary coin or into gold coin or into any other kind of lawful money. For an example, if a holder of sufficient bullion to coin one hundred standard dollars shall deposit the same and receive sixty of these coined dollars as the equivalent in value of his bullion, as would approximately be the case in the present state of the silver market, there would remain, according to the proposed amendment, forty coined silver dollars in the reserve fund of the Treasury. This \$40 may be paid out in place of gold, and then in such case the Government would have in its coffers \$40 in gold to maintain the parity of one hundred silver dollars thus issued.

It will readily be noticed that this reserve fund would relatively far exceed the reserve fund now held or proposed to be held for the redemption of \$346,000,000 of greenbacks, which at its highest figure, \$100,000,000, at no time equalled one-third of the nominal value of the greenbacks. Besides this, the holder of every silver dollar would feel assured that he held "an honest dollar" in every sense of the word. It is the belief of some of our friends in the Senate that under a measure of this kind the price of silver would appreciate; at any rate, that it would not decline. Certainly the declension of value of silver bullion under such conditions is not likely to occur, although there may be fluctuations in the value of silver.

If the price of silver bullion should remain about the same as

now, every holder of a silver dollar would know that he held 60 cents' worth of silver bullion in his own pocket, and that the other 40 cents would be in the possession of the Government for his benefit in maintaining the parity of the silver dollar with the gold dollar of the United States. He would have the guaranty of the Government; and the Government would have possession of the money with which to fulfill its guaranty. The security of the silver dollar issued under such conditions would be such as to make it good in any part of the world. What better security could there be for any money issued by any government?

The question may be asked are we sure that the Government will possess the gold to fulfill this guaranty; but the answer is that if the Government maintains its credit and does actually maintain the parity of the dollar in commerce the Treasury will receive its fair share of gold under the natural conditions of trade.

If the seigniorage "reserve" should remain in silver dollars, then the number of silver dollars issued would be much less than \$2,000,000. In fact, at the present price of bullion there would be less than \$1,200,000 issued per month.

But if the Secretary should not care to exchange the surplus or seigniorage for gold still there would remain in the parity fund a sufficient amount of money in some other form to maintain this guaranty.

The great difficulty that we have encountered in the late crisis has been the apprehension at home and abroad that there would be an indefinite and interminable expansion of the use of silver, or of its paper representative, as money under the operations of the Sherman act. And the whole doctrine of the purchase and storing of silver bullion by the Government in such masses has become revolting to us. Nobody doubts that this great Government and the business operations of its people could readily absorb one or even two or three hundred additional millions of silver money. We point to France and say that she has six hundred and fifty to seven hundred millions of silver and still maintains the gold standard; but the doubt has existed as to the Sherman law because of the wide, limitless sea of silver which might know no shore; and it is because of this uncertainty as to the quantity of silver money to be issued as money of final redemption by the United States that the minds of investors have become alarmed.

It is this and only this that caused the withholding of funds; and this is the evil that we mainly ought to seek to correct. I find much to commend in the theory of the distinguished Senator from Nevada [Mr. JONES], if I understand it correctly, in reference to the doctrine of distinct and definite units and the quantity of units as a measure of value; and this thought of mine is not inconsistent with his; but I would feel our way more slowly and definitely in regard to the absorption of large additional amounts of silver as money of final redemption. The statement has been attributed to him that "What we want is not confidence but more money."

I do not exactly agree with him. I would venture to state the proposition in this way, that what we lack in confidence we need in money. Thus it is that in times of panic and distrust more actual money is needed than under normal conditions of trade; and there ought to be some way of meeting this demand, some greater flexibility as to the volume of money in the times of stringency. But it seems to me folly to suppose that by the addition of any reasonable or practicable amount of money in time of panic we shall be able to entirely overcome all the results of a loss of confidence. If we should increase the volume of the money fourfold we would not be able to do this; and the reason is very well stated in the very excellent report of Mr. Hepburn, late Comptroller of the Treasury, dated February 5, 1892, as follows:

My object in this report has been to furnish reliable data from which the public could see and realize how small a percentage of business transactions are represented by actual money, and how impossible it is to furnish a volume of currency sufficient to meet the wants of the people at all times—that is, in times of general distrust, or quasi panic. Over 90 per cent of all business transactions are done by means of credit. When the public lose confidence and the credit is impaired and refused, over 90 per cent of all business transactions are directly affected. It is easy to realize how impossible it is for the remaining 10 per cent of money to carry on the business of the country without monetary stringency and financial distress. The refusal to extend or continue credit, the demand for payment in money, leaves the actual money or currency of the country, be it \$24 per capita or \$50 per capita, utterly powerless to supply business needs.

This was written about a year and a half before the late panic, and of course without anticipation of it. But it is to the point now. Therefore it is plain that the main object of the present legislation should be the restoration of confidence. In no other way can we evoke the money that has been hoarded. The first thing to be secured is the assurance that the parities of value will be maintained so that every dollar will be equal in value to every other dollar, not only now, but for the future, so that investors will have confidence in the business operations of our people. This can not be accomplished by declarations in the

statutes without some practical means for the support of these declarations.

This brings me to another and the most important section of the amendment, namely, that authorizing the Secretary of the Treasury to issue, sell, and dispose of at not less than par in coin bonds of the United States bearing interest not to exceed 4 per cent per annum, payable semiannually and redeemable at the pleasure of the United States after five years from their date, with like qualities, privileges, and exemptions provided for the bonds at present issued and authorized, to the extent of \$200,000,000, and to use the proceeds thereof for the purpose of maintaining the redemption of the United States notes according to the provisions of the act approved January 14, 1875, and for the further purpose of maintaining all the money of the United States at a par with the gold dollar.

I will state here that I am not particular about any specific rate of interest. The reason I inserted 4 per cent in the amendment was that I wished to make the rate ample, so as to compete with the rate of the Bank of England, which, I understand, is sometimes as high as 4 per cent; but I should be quite willing to have the rate fixed at 3 per cent or less if it be preferred.

While it is reasonably certain that the proposed coinage of 100,000,000 silver dollars, running through four years, will be amply secured by the parity fund proposed to be provided in the manner stated, still I deem it necessary to strengthen the whole grand fabric of our circulation, and to fortify the gold reserve, as was done for specie resumption in 1878, and to increase our gold reserve in order to provide for the prompt redemption of all our currency in gold, and to maintain the parity between all our moneys. The surest way to establish confidence in our intentions and ability to maintain a gold basis, and to keep all our money at par with gold, would be to provide the necessary means of accomplishing this, which this amendment seeks to do.

Instead of being dependent on a reserve of about \$81,000,000 or less to support six hundred or seven hundred millions of "credit money" and a lot of declarations in different statutes, it is proposed to permit the Secretary of the Treasury, at his discretion, to buy gold with the credit of our country and use this gold for the purpose of maintaining and redeeming all of our money at par. That the legal right exists at present to sell bonds under the provisions of the specie resumption act of January 14, 1875, to secure the gold necessary to maintain specie payments, I have no doubt; but this provision removes the doubt, if it exists, beyond all question, and provides for a bond bearing a lower rate of interest than at present authorized.

That serious trouble exists, that the two metals, gold and silver, will have unequal value in our currency system unless something be done to strengthen our gold reserve, is apparent to everyone. The only method available to prevent such a catastrophe, is to use the credit of our Government and to secure the gold necessary to insure the maintenance of the parity declared by the act of July 14, 1890, to be the established policy of our Government and to keep all our money redeemable in gold on demand. This provision, as I understand, has already received a favorable report from the Committee on Finance of the Senate.

The placing of bonds to a reasonable extent, such as the necessities of the case would warrant, in the discretion of the Secretary of the Treasury, and strengthening our gold reserves, would in my judgment do more to restore confidence, both at home and abroad, in our intention to maintain the gold standard than any other measure that could possibly be enacted, not excepting the absolute stoppage of the purchase of silver and coinage. It would restore confidence, not only by securing the means to readily maintain gold payments, but as a substantial declaration to the world that the matchless credit of this great nation would be used for that purpose whenever and to whatever extent necessary.

It is justified not only by the exigencies of the situation, but especially by the distressed condition of public finances, and by the fact that the large and unprecedented redemption of the principal of the bonded debt of the United States during the last eight years has seriously crippled the Treasury, not leaving a sufficient balance for convenient working purposes. Since August 3, 1865, the bonded debt of the United States has been reduced from \$2,383,033,315 to \$585,034,810, a reduction of \$1,797,998,505; and during the last eight years, under the Administrations of Presidents Cleveland and Harrison, the principal of the public debt was reduced by the enormous sum of \$597,168,500, not mentioning premiums or interest paid.

The large increased expenditures of the Government, including pensions, would amply justify the replacing of a portion of this debt at a low rate of interest and would be a practical and absolute security for the maintenance of the gold standard in this country, and such limited bimetallism as we are enabled to maintain in the face of the fact that silver has become so largely

depreciated through its disuse as money of ultimate redemption by the leading nations of Europe.

Coupled with the provision for securing the necessary gold to maintain specie payments and to secure the redemption of all our paper money on demand in gold, the parity of all our money would be maintained; and the provision for the additional use of silver to the extent of \$100,000,000 in a period of over four years would not injure the maintenance of bimetallism in this country. I believe the country would approve such action on our part, adding to our small money of domestic use a limited number of silver dollars each month, such as may be justified by the relative increase of population and business, and strengthening the gold reserves in the Treasury to meet any demands upon it for foreign exchange.

I am aware that there exists a great prejudice in the minds of some people against any renewal of the bonded indebtedness of this country. I am aware that a party in power may hesitate to meet a charge of having fastened another bonded indebtedness upon the "toiling millions." There has been, in my judgment, a timidity and a fear to act promptly upon this subject, at a time when if action had been taken, I believe the present panic would have been averted. One Administration going out did not act because the gold reserve was not actually invaded; another Administration coming in hesitated to act; and thus between the "two stools" this necessary measure "fell to the ground."

I believe that any party and any Administration ought to be brave enough to face any issue and to act energetically and promptly. I have great respect for the present Secretary of the Treasury, and I have great confidence in and even admiration for the President, whom I have personally known to have been tried in the balance in a critical emergency and not to have been found wanting; and I wish to say that I shall never forget the support I received from that source during a time of most critical emergency, when I occupied the position of Governor in a Western Territory, under the former Administration of President Cleveland.

But it is perfectly astounding to me that an Administration sits supinely by and sees the public credit go to ruin and does not do something to prevent it at an exigency like this. "An ounce of prevention is worth a pound of cure," and it has been said that in financial matters it is worth a ton. If our gold leaves us in February and March and there is a run on the Treasury—presto! change—we may have the silver standard in forty-eight hours.

The serious situation now is the condition of the Treasury and the small gold reserve, not silver purchases alone, which have been virtually annulled by the Treasury ruling as to the market price of silver. Now, it may be asked what would be the effect of going on to a silver basis; it may be said "What do we care for that?" But is it not evident that, if we should go on to a silver basis, the present currency would be contracted by the withdrawal of all the gold that is at present in circulation? It would no longer perform the functions of money, but would become hoarded and become a commodity. Think of the result of the withdrawal of about seven hundred millions of gold from circulation in this country! Is not the thought of such a possibility, not to say such a prospect, sufficient to arouse the Administration and to cause the Congress of the United States to strengthen the hand of that Administration?

We are not here as partisans, Democrats, Republicans, or Populists; but we are here to maintain the credit and power and glory of this great nation, of this great country, full of resources, full of energy, and of great productive power. Why should we cripple ourselves by lack of foresight and lack of nerve? Who fears an electioneering cry when danger to his country confronts him? The credit of a great nation involves the credit of every institution and every individual under it. If investors seek to put out their money, do they resort to a country whose governmental finances are enfeebled and shattered? Do investors in any great numbers seek their fields of investment in the Argentine Republic, or even in Mexico?

No. They go to the countries that are strong and vigorous and prosperous, to those countries where credit is being built up rather than run down and destroyed. Why should we not as a nation obtain two or three hundred millions of money, in good part probably from abroad, at a low rate of interest? If a people want money why not get it on their best securities at the lowest rate? It brings so much more money into this country, and every man, woman, and child gets an indirect benefit therefrom. Every man and every institution would feel the electrical thrill of pride, of pleasure, and of prosperity!

When an individual wishes to borrow money, does he take his poorest securities and pay the highest rate of interest, or does he take his best securities and obtain money at the lowest rate of interest? What is true of an individual is true of a nation. If we would bear up our heads as one of the great nations of the earth, we must be able to meet them on common ground. They

have chosen the ground of gold, and I say let us meet them on that plane. We are able to do it, and why should we play a second part when we are able to be a leading character as a nation on the great stage of the world's drama?

It is but a short time since we were able to place a limited number of bonds bearing a rate of interest at 2 per cent per annum; and I trust we shall soon see the time again. I would give the Secretary of the Treasury authority to pay whatever rate of interest may be necessary up to 4 per cent per annum, because the rate of the Bank of England occasionally reaches that figure, and I would trust to the discretion of the Secretary to place the bonds at as low a rate as possible. The mere fact of giving the Secretary the authorization to issue these bonds may be sufficient without ever issuing a bond. What the investors of the world desire to know is what the intentions of the Government may be in relation to maintaining its credit. Away, then, with this timidity and half-heartedness. Let the Government of the United States assert itself in no uncertain tone; and then, from this beggarly and pitiable condition, we shall rise to the dignity of masters of the situation.

With plenty of gold in our lockers we can carry all the silver we please in our circulation up to one thousand millions, but, now that the fight is on, without gold we shall be degraded to the condition of a second-class monetary power. The great nations of the world have decided that gold is the thing to be fought for. Like true Americans let us do our fair share of the fighting! Such action on our part may make the other great nations somewhat more reasonable on the subject of silver; because they will need it, in large measure, to supplement their own depleted currency.

We have a gold basis now which was won under circumstances of peculiar trial and adversity—under a great war debt. Let us maintain it and take no steps backward. The people of this country are accustomed to toil, and privation, and hardship; they love their country and its institutions, and will not play second to any power on the face of the earth. They want the best and what the world regards as the best; and they will have it even at some cost in dollars and cents. The national honor requires that this Congress shall stand by the people of the United States in maintaining the great and colossal credit of this Government. They will not excuse any party that degrades them by its cheese-paring policy and false economy.

There can be no question that the distress which has been largely the cause of the recent panic, and which even now is laying business prostrate, arose in its incipency from a belief, well founded or otherwise, that the United States could not continue *ad infinitum* the absorption of a depreciated and depreciating metal, silver, in its currency system without seriously jeopardizing the gold standard in this country. The result of the silver policy of this country, which was commenced on March 1, 1878 (but only in the form of gold payments for silver since the passage of the act of July 14, 1890), has been to steadily diminish the gold reserve of the Treasury and to largely increase, both in circulation and in the receipts of the Government, the currency based on silver. This weakening process, more silver and less gold, has gone on until the danger line has been reached.

Without entering into any discussion of the circumstances which have led to this situation in the Senate, without dwelling on the injustice of suddenly and without notice destroying the silver industry in this country—which the Senator from Idaho [Mr. DUBOIS] has spoken about so earnestly, which industry is built up largely by governmental use as money—without discussing the wisdom of a policy of committing this country irrevocably to the use of gold as money and closing the door to any further use of silver as money, it seems to me that it is the part of intelligent and patriotic men who earnestly desire to accomplish something that will relieve the present distressing situation and at the same time prove for the best interests of all our people, to devise some plan by which we can continue to coin silver, for a limited period at least, in safe amounts, and at the same time provide a means for maintaining all our currency at par with gold and each kind equal with the other.

[I will say parenthetically, with reference to the product of our refineries, that there are ores, I understand, obtainable from Mexico, which, when used in combination with our refractory ores, are valuable, and enhance the value of our ore product by facilitating its reduction. Hence the language of my proposed amendment.]

This is what I have sought to accomplish by the amendment which I have offered, limiting the deposit and coinage of silver to our own product, and of that only to the extent of two millions per month, to be received and paid for at the market price, the seigniorage to be held in the Treasury as a reserve, and all deposits and coinage of silver to cease in about four years. Surely this will not do any serious injury to the country; and as my amendment proposes that the actual coined dollar shall be

issued and kept in circulation, it will not increase the amount of credit money, but, on the contrary, will slightly increase the circulating medium in a small way, and should prove of benefit rather than of injury.

It can excite no alarm, because it would be foolish to suppose that so small an annual addition of silver to our currency, especially in the shape of coined dollars, could be made an instrument of evil. If it were proposed to pay for this silver in legal-tender notes, interconvertible with gold, as under the present law, it is possible that some might look upon it as an additional means of depleting our gold reserve. This is the great evil of the present law, that we are issuing annually some \$50,000,000 of legal-tender money redeemable in gold, in the purchase of silver bullion, and piling up the silver bars in the Treasury as a useless asset, while the notes issued in its purchase afford the exporters of gold a rare opportunity to obtain gold from the Treasury, weakening our gold reserves and injuring business.

The same objection can not apply to this amendment as to the present law; and, if there is to be any use of silver as money in the United States in addition to what we already have, it seems to me that there can be no safer use than that proposed in my amendment. While enabling the mines of the United States to continue to produce to a limited extent and for a definite period this money metal, which has been used as money from the foundation of our Government, indeed as far back as we have authentic and historic record, by all governments, with due notice of a quitting point, it will serve as notice to the world that at the expiration of four years the United States shall cease to coin silver money; unless in the meantime foreign nations will unite with us in international bimetalism.

The United States is committed by its Constitution, by its attitude before the world in three international conferences, 1878, 1881, and 1892, and by its silver legislation for the last fifteen years to the use of gold and silver as money of ultimate redemption and full legal-tender power. It will be committed by the very repeal bill before us, as reported from the Committee on Finance of the Senate, if passed, to a continued use of silver in our currency system. All political parties in their platforms have declared for the continued use of silver as money. The people of the United States have therefore declared by their suffrages that silver shall be used as far as practicable in our currency system.

What kind of a spectacle would we present at the reassembling of the Brussels conference if, after having called the nations of the world together to consider "an enlarged use of silver in the currency systems of the world," we had in the meantime during the recess of the conference abandoned it altogether ourselves? The only way that bimetalism, (which every one seems to favor in the Senate, from the Populist Senator, PEPPER, to the great financier, SHERMAN) is possible under present conditions is by a limited use of silver sustained at par by large gold reserves. This limited and "limping" form of bimetalism we have now; and my amendment proposes to continue it under additional safeguards and in a limited manner. I have no disposition to place this country on a silver basis. I believe it would be the greatest calamity that could possibly happen; and under my amendment such a possibility is rendered impossible.

It may be said that such action can be revoked by another Congress, and silver purchases and coinage can be continued after the \$100,000,000 limitation has expired; but the same may be said about the repeal of the present law, that another Congress could undo our action. But we can safely trust the American people through their representatives in Congress, after full and fair discussion, to do what is right to maintain the honor of our country under all circumstances.

That is especially true at this juncture. A great, important, and intellectual minority have contended on this floor for many weeks and months for that which they believe to be right and true and proper. Intimations have gone out from time to time that something strange, something unreasonable, something revolutionary might occur. But it appears now, after all this discussion and agitation, that this great minority, so powerful in genius, in energy, in resources, in information, in philosophy and wisdom, are willing to show to the American people that the American Senate is a body that is willing to bow to the will of the majority without force, without physical test. I say that this is a grand triumph, not only for the genius of the American people, but it is a proud moment for the illustrious Senate of the United States.

The amendment further proposes to remove the stigma upon our bonds by allowing national banks to issue circulating notes to the par value of such security. I know that a prejudice exists in many minds against the national banks of our country. Recognizing the fact that the present issue of national bonds will expire by limitation in about fourteen years, there is a disposition to refrain from any legislation that can possibly extend the life

of the national banking system. The national banks were born of genius and in the great stress of war. I have but very little personal interest in them, not enough worth talking about; but such as I have I am not ashamed of; for I have never taken stock in any bank except by borrowing money to do so, and because I regarded the establishment and maintenance of such an institution as being for the welfare of the community where I reside.

However, I am in favor of justice and fair play and the recognition of every power in this country that has tended or shall tend to the power and prosperity of its people; and I am forced to the conviction that the national banks have been a great benefit to the people and the Government of this country. Erected as they have been by the Government, they have been its supporter in its hour of need. They are founded and built up by our own people, and there is no question but that they have assisted in extending aid to the people and have contributed to the development of our country even in its remotest bounds. I am satisfied they have materially contributed to the development of my own State, and that the people of that State have procured loans and received assistance at a lower rate of interest through the national banks than they would otherwise have enjoyed. True it is that out of the seventy national banks in the State of Washington some which have recently been established have gone to the wall during the late crisis; still, as a whole, they have been of vast benefit to the people, and with few exceptions, less in proportion than in some other States, they have maintained their existence in this hour of trial. They have added over \$31,000,000 to the loanable assets of the people of that State.

The Senator from Nebraska [Mr. MANDERSON] a few days ago had occasion to call the attention of the Senate to the prosperity of the banks in his State; and I took great pleasure at the splendid showing he then made for his great State; but I may be pardoned for referring to the fact that the State of Washington can show a record even more remarkable than he then presented to the Senate; for the statistics show that we have in the national banks in the State of Washington about 60 per cent more of capital per capita than there is in the national banks of the State of Nebraska. Of course, this incident cuts no figure in the debate. I merely mention it to show the benefit that national banks have been to the remoter States of the Union which have great resources and great prospects of development.

I look upon the national banks as an arm of power to the Government and in behalf of the people. Naturally they are governed by their interests; but they are none the less a power which it has taken years to establish, and which can be and should be safely potentialized for the good of the people.

It appears by the last report of the Comptroller of the Currency that the actual circulation outstanding on September 30, 1892, for which the national banks were responsible was \$147,191,593. Thus it appears that the circulation had been largely diminished from what it was in 1882, 1883, 1884, when the average national-bank circulation was in the vicinity of \$350,000,000, the height of circulation having reached \$362,889,134 in 1882.

Now, as I stated, these banks have been governed as to their circulation by what appeared to them to be profitable. The tax of 1 per cent on circulation, which amounted to \$72,670,412.30 up to July 1, 1892, and the permission to issue circulating notes only up to 90 per cent of the par value of their bonds, had caused them to retire their circulation. During the recent panic, when the demand for currency of all kinds was so great that from 3 to 5 per cent premium was paid for currency with which to compensate the laborers of this country, the banks commenced to take out additional circulation, so that as I understand it, the circulation at present now amounts to about \$210,000,000.

Many national banks have never taken out any circulating notes whatever. Such banks as the great Chemical National Bank of New York, the National Park Bank, the Merchants' National Bank, Mechanics' National Bank of New York, and the National Bank of Washington, D. C., have never taken out any circulating notes whatever. Now, if the banks are allowed to take out circulation to the par value of their bonds, the probabilities are that the addition to the national-bank currency would not be confined to the additional 10 per cent of the national-bank currency now extant, but that many banks which have never taken out circulating notes, or that have never issued to the authorized limit, would be stimulated to issue notes; and it has been estimated that the national-bank currency would in the aggregate be increased to the extent of sixty or seventy millions of dollars.

Now, we know the benefit that was secured to the people by the additional circulation of forty or fifty million dollars that was obtained by the national banks during the recent crisis, and we can thereby reason that that benefit would be increased by the addition of sixty or seventy million more, making an approximate total bank circulation of from two hundred and fifty to two

hundred and seventy-five million dollars. Now, I maintain that the addition of this representative money to the circulating medium of the country will add to the loaning powers of the banks and that the people will thereby be benefited.

I am not looking so much to the interests of the banks as I am to the interests of the people; and while I am willing to add to the money of final redemption by the coining of silver, I am also willing to add to the representative money, because this representative money is received in payment of debts, and thereby relieves the stringency of the money market in all these widely separated localities, where nearly four thousand national banks are established, about three-fourths of which banks have a capital not to exceed \$150,000 each.

In other words, we can legitimately utilize the resources of the banks for the relief of the people. The banks are not taking out this circulation for idle purposes. If they take out the circulation they take it out to be loaned; and why should we not avail ourselves of every lawful means at our disposal for the good of the people? The Government of the United States will pay all the bonds at their face value; nobody questions that. There is no chance whatever of loss in issuing currency up to their face value. At a time during the war when the bonds of the Government were sold or likely to go below par, it was different. It was then wise to issue currency to only 90 per cent of their par value. Now the conditions are changed, and these bonds bear a premium, excepting the extended 2 per cent bonds, which can be called in at the pleasure of the Government. There is ample security to the Government, which guarantees the circulation of the banks, and the people ought to have the benefit of the loanable funds to be derived by extending such circulation.

Some people imagine that the national banks have had something to do with bringing about the present stringency; but every man that knows about State banks is aware that they were in the same condition as national banks in regard to this proposition during the panic. There is no difference whatever between State and national banks as to their willingness to put out money. The reluctance is not chargeable to national banks as such. They simply obeyed the common instinct of self-preservation and the doctrine of "the devil catch the hindmost."

Nor am I in favor of crippling the national banks. To use an old adage, "I would not cut off my nose to spite my face." I would give them all safe, legitimate additional power to be of service to the people, even if they do incidentally make an earning thereby for themselves.

Now, finally, Mr. President, my object in bringing forward these propositions in the form of this amendment is for the purpose of securing without delay such action by the Government of the United States as may placate existing conditions, such as will afford relief to those who are in distress, such as will maintain the credit of the Government, such as will preserve the position of our Government in reference to the doctrine of bimetalism, such as will, if possible, end for the present the agitation, embarrassment, and trouble on this subject. The chairman of the Committee on Finance has announced that as soon as the present repeal bill is disposed of he intends to introduce other financial measures. He, and a majority of his committee are known to be the friends of silver, and of the continued and enlarged use of it as money.

A bill has been introduced by the Senator from Missouri [Mr. VEST] providing for the increase of national-bank circulation on the terms that I propose; and I am largely indebted to him for the language that I have used in this particular part of my amendment. This shows the drift of sentiment, of reason.

Is it not practicable for us, after all these weeks and months of debate, to determine finally for the American people the lines that we ought to adopt in this monetary legislation for their benefit? Is it necessary that, after repealing the Sherman law under the terms of the present bill, we should wait and struggle and go through a long period of debate, of exciting comments on all hands before coming to such a solution of the main questions at stake as to meet the reasonable requirements of the American people in this great emergency?

This Congress has other important subjects to which its attention should be addressed. Other great subjects are practically before it, such as affect the credit and business of our people. I do not mean the election bill. I doubt very much if it was a wise thing to introduce a subject of that kind which has strong partisan characteristics at this time. Every man should be stirred with the feeling of patriotism, the feeling that is as important in time of peace as in time of war. What we need to do is to give relief to the people of this country, and that relief should not "stand upon the order of its going" but should come at once. Great vital matters are to be the subjects of legislation.

It has been announced by the President that we are to have a revision of the tariff. I stand ready to welcome any and every wholesome revision; such revision as ought to take place, from

time to time, in the tariff schedule, corresponding with the needs of the country and the developments in its business; but there is no mistaking the fact that the next great question that the people of the United States stand upon tiptoe to hear and to understand and to await the result of the action of this Congress, is that relating to the perpetuation of the industries of this country. We can not shirk it. It is before us. The last election made it a great fact which we must solemnly encounter.

In my judgment, quite as much importance is to be attached to the solution of that question, so far as it relates to the prosperity of this country, as to the present question before the Senate of the United States; and I say again, in that matter as in this, it is needful that there be action, that there be result, and that there be lines laid upon which men can predicate their business and their prospects. Let the future policy of the Government become known.

If men and fortunes and industries and wages are to be scaled down or wiped out, let us know it! Men are awaiting their fate; and while I belong to that party that believes in the preservation and the conservation of forces, in keeping within ourselves all that there is of value, in building ourselves up by every legitimate means, yet if there is an industry to be finally paralyzed which now stands doing nothing and awaiting the verdict, I say, let it come. Let us know the worst, let us prepare for it; and the sooner we know what is to be the result of the exercise of the wisdom and the political power of those now in the ascendancy in our Government, the better for our people.

If there is to be an alleviation anywhere, let us know it. If the foundations and superstructure of any great industry are to be uprooted and destroyed, let us know it—let us "take our medicine." Then, when we get to the bottom, we can commence to rear new things, new industries; and if we can not run, we can walk; if we can not walk, we can crawl; if we can not crawl, we can live. But let us have a settlement. The books are open; the party is in power; and the American people, like the criminal in the chair, calmly awaits the fate of electrocution.

But if, as the President intimated in his letter of acceptance, this is not to be an oppressive and destructive era for American industries, then let us know what the benign and clement power shall decree. Then will business begin to resume; feeble it may be, but never disheartened. Then will the American people rise to the height of the situation, and, as they have always done, will show their superiority to every incident of politics; and though they may be down to-day they will rise to-morrow, and meet the suggestion in the lines of Gerald Massey, the poet of labor, who wrote of the poor man's child as being "hustled and sweated down" (like sovereigns in a bag) "till the image of God is worn from heart and brow." He sang:

But never sit we down and say  
There's nothing left but sorrow;  
We walk the Wilderness to-day,  
The Promised Land to-morrow.

Build up heroic lives, and all  
Be like a sheathen saber,  
Ready to flash out at God's call,  
O, Chivalry of Labor!

It may be the policy of the party in power to relegate all these positive financial questions to the future, and not to pass upon them now, but in the interest of early and immediate action on behalf of the people, I feel it my duty to present my views. I am not concerned as to the authorship of this or that remedy. It is not material by whom the legislation is introduced. I have my duty to fulfill and have thought long and earnestly upon the subject; and it seems to me that no good can be obtained by postponing the hour of action on the great problems that concern us; at least so far as relates to those things that are plain, that any man having eyes can see, any man having ears can hear, and he that hath reason can understand.

If it be the pleasure of the majority in this Senate to postpone all positive legislation or action on these propositions to a future day, contenting ourselves simply with repeal, I bow to their will; but I may be permitted to say there is no such good time as now. There is no escaping our responsibility; and the American people will render their verdict for unnecessary delay. When the time comes to vote on my amendment, I will ask that it be taken by sections. In all the great debate you have listened to history, to statistics, to philosophy, and dialectics. I ask the Senate to do that which is practical for the immediate relief of the Government and the people.

Mr. STEWART addressed the Senate. After having spoken nearly an hour and a half.

Mr. VOORHEES. Does the Senator from Nevada desire to proceed further at this time?

Mr. STEWART. I shall not be able to conclude to-night.

Mr. VOORHEES. I then move that the Senate take a recess until to-morrow morning at 11 o'clock.

The motion was agreed to; and (at 5 o'clock and 43 minutes p. m., Thursday, October 26) the Senate took a recess until to-morrow, Friday, October 27, 1893, at 11 o'clock a. m.

Extracts from the proceedings of the Senate in executive session from which the injunction of secrecy has been removed, and which have been ordered to be printed in the RECORD:

IN EXECUTIVE SESSION, SENATE OF THE UNITED STATES.

Friday, October 20, 1893.

On motion by Mr. ALLEN, and by unanimous consent,

Ordered, That the injunction of secrecy be removed from the vote of the Senate advising and consenting to the appointment of James J. Van Alen, to be ambassador extraordinary and plenipotentiary to Italy, and the pairs announced during the call of the roll.

Wednesday, October 25, 1893.

On motion by Mr. VEST, and by unanimous consent,

Ordered, That the vote of the Senate of the 20th instant, advising and consenting to the appointment of James J. Van Alen to be ambassador extraordinary and plenipotentiary to Italy, together with the pairs, and the announcement of Senators present and paired as to how they would vote if not paired, be printed in the RECORD.

Friday, October 20, 1893.

The question being "Will the Senate advise and consent to the appointment of James J. Van Alen?" the yeas were 39 and the nays 22.

Those who voted in the affirmative are Messrs.—

Aldrich,	Davis,	Lindsay,	Roach,
Bate,	Dixon,	McMillan,	Smith,
Berry,	Faulkner,	McPherson,	Stewart,
Blackburn,	Frye,	Mills,	Turpie,
Brice,	Gibson,	Morgan,	Vest,
Butler,	Gorman,	Murphy,	Voorhees,
Cafery,	Gray,	Palmer,	Walthall,
Camden,	Higgins,	Pasco,	White, La.
Cameron,	Jones, Ark.	Quay,	Wolcott.
Coke,	Jones, Nev.	Ransom,	

Those who voted in the negative are Messrs.—

Allen,	George,	Lodge,	Stockbridge,
Carey,	Hansbrough,	Manderson,	Teller,
Cullom,	Hawley,	Martin,	Vance,
Dolph,	Hill,	Peffer,	Washburn.
Dubois,	Irby,	Pettigrew,	
Gallinger,	Kyle,	Sherman,	

During the roll call the following pairs were announced:

Mr. COCKRELL with Mr. ALLISON.

Mr. CALL with Mr. PROCTOR.

Mr. GORDON with Mr. HALE.

Mr. HARRIS with Mr. MORRILL.

Mr. HUNTON with Mr. PLATT.

Mr. PUGH with Mr. HOAR.

Mr. WHITE of California with Mr. SHOUP.

Mr. VILAS with Mr. MITCHELL of Oregon.

While the roll was being called Messrs. CALL, HARRIS, HUNTON, PUGH, and VILAS severally announced that, if not paired, they would vote "yea;" and Mr. SHOUP announced that, if not paired, he would vote "nay."

## HOUSE OF REPRESENTATIVES.

THURSDAY, October 26, 1893.

The House met at 12 o'clock noon, and was called to order by the Speaker.

Prayer by Rev. RUMSEY SMITHSON, of Washington, D. C., as follows:

O Lord God, our Heavenly Father, we offer and present unto Thee this day thanksgiving and praise for Thy manifold and great mercies toward us in the past, in the preservation of our lives, and in the bestowment of Thy blessings upon us.

We pray Thee to look upon us at this time in the forgiveness of all that Thou seest amiss in us. Cleanse our hearts by the inspiration of the Holy Spirit, that we may perfectly love Thee and magnify Thy holy name. Now, O Lord, we pray for Thy blessing upon this House and upon all the members of this body. We pray that they may be directed in all things to Thy glory and for the good of this great people.

O Lord, we pray Thy blessing upon the distressed of our race, and especially would we commend to Thee the family of the deceased Chaplain of this House. May Thy grace be their support, and may they have constantly the consolation that cometh alone from Thee.

Guide us all by Thy counsel, and finally receive us to Thyself, through Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

#### ACKNOWLEDGMENT TO FOREIGN GOVERNMENTS.

The Speaker laid before the House the joint resolution, with Senate amendments (H. Res. 66), that the acknowledgments of the Government and the people of the United States be tendered to various foreign governments of the world who have participated in commemoration of the discovery of America by Christopher Columbus.

The amendments of the Senate were read.

Mr. HOUK of Ohio. Mr. Speaker, this resolution passed the House a week or two ago. There is no change in its phraseology, and the amendment only provides that the information of its passage be conveyed to the different foreign governments by the President of the United States instead of by the Secretary of State. I will only say that the resolution, as originally offered and passed in the House, was drawn upon consultation with the Secretary of State as to its form, in regard to the manner in which the acknowledgment should be presented to other governments; but the Senate amendments are entirely in accordance with propriety, I think, and I move, therefore, that the amendments of the Senate be concurred in.

The motion was agreed to.

The title of the resolution was amended to conform to the body of it.

#### DEATH OF CHAPLAIN OF THE HOUSE.

Mr. RICHARDSON of Tennessee. I offer the resolution which I send to the Clerk's desk, and ask for its immediate consideration.

The resolution was read, as follows:

*Resolved*, That the House has heard with profound sorrow of the death of Rev. SAMUEL W. HADDAWAY, Chaplain of the House.  
*Resolved*, That as a mark of respect to his memory the Speaker appoint a committee of seven to attend his funeral services.

The resolution was agreed to; and in accordance therewith the Speaker appointed as such committee Mr. COMPTON, Mr. RICHARDSON of Tennessee, Mr. DINGLEY, Mr. KYLE, Mr. COCKRELL, Mr. CURTIS of New York, and Mr. COBB of Alabama.

#### WORLD'S FAIR COMMISSIONER FROM ALASKA.

Mr. HEARD. Mr. Speaker, I desire to ask unanimous consent for the present consideration of the bill which I send to the Clerk's desk.

The bill was before the House a few days ago, and an explanation was asked for by the gentleman from Texas [Mr. KILGORE], which explanation I now have from the Treasury Department. I desire to have that explanation read in connection with the bill.

The bill was read, as follows:

A bill (H. R. 913) for the relief of Louis L. Williams.

*Be it enacted, etc.*, That the Secretary of the Treasury be, and he hereby is, directed to pay to Louis L. Williams the sum of \$395.70 due him as salary and for expenses incurred in the discharge of his duties as World's Fair Commissioner from Alaska.

The SPEAKER. Is there objection to the present consideration of this bill.

Mr. SAYERS. Mr. Speaker, I would suggest to the gentleman from Missouri [Mr. HEARD] that an amendment be offered after the word "cents," in line 5 of this bill, to insert the words "out of moneys heretofore appropriated for such purposes."

Mr. DINGLEY. I desire to ask the gentleman from Texas [Mr. SAYERS], as there are many commissioners who may have such bills as this, whether he has sufficiently examined the matter, so that he is willing to have this established as a precedent.

Mr. HEARD. I desire to say to the gentleman from Maine that there can be no great number of these cases, as there are only two commissioners from Alaska. The point made against the payment was raised in the State Department as to whether Alaska was a Territory in the meaning of the law authorizing the appointment of such commissioners from the different States and Territories of the Union.

Mr. DINGLEY. Is that the only point involved?

Mr. HEARD. That is the only point involved, and the Attorney-General decided that it was a Territory in the contemplation of the law. The letter of the Treasury Department makes perfectly clear the reason why the claim has not been paid, and that it is equitably due, but can be paid only by authority of such an act as this.

The SPEAKER. Without objection, the Clerk will report the letter.

The letter was read, as follows:

TREASURY DEPARTMENT, OFFICE OF THE FIRST AUDITOR,  
Washington, D. C., October 25, 1893.

SIR: I have the honor to acknowledge the receipt of your request that the reason be stated why this office considers it necessary that a special act be passed for payment of the expenses of Louis L. Williams as one of the commissioners to represent Alaska on the World's Columbian Commission

from November 2 to December 12, 1890, instead of allowing them from the regular appropriation, as has been done since December, 1890.

It appears that the governor of Alaska nominated Mr. Williams on June 10, 1890, but the State Department on November 25, 1890, referred to the Attorney-General the question whether Alaska is a Territory within the meaning of the act creating the World's Columbian Commission, on December 19, 1890. The Attorney-General decided affirmatively, and December 22, 1890, Mr. Williams's commission was issued.

In the meantime it appears that Mr. Williams actually traveled in November, 1890, from Alaska to Chicago, and was present at the commission's meeting, and his expenses would have been allowed had the question not been raised in the State Department, by which the issuing of his commission was delayed, this office only allowing expenses after the date of the commission.

It appears that Mr. Williams is equitably entitled to payment, and that this can only be accomplished by a special act of Congress.

I transmit to you herewith a copy of the letter from the Secretary of the Treasury to Mr. Williams, in which, in accordance with the opinion of the First Comptroller, payment is refused for the reason given above.

Respectfully,

E. P. BALDWIN, *First Auditor.*

HON. JOHN T. HEARD,  
*House of Representatives.*

The SPEAKER. Is there objection to the request for the present consideration of this bill? [After a pause.] The Chair hears none.

Mr. SAYERS. Mr. Speaker, I ask that the amendment I suggested be read.

The Clerk read as follows:

Insert, after the word "cents" in line 5, the following: "out of moneys heretofore appropriated for such purposes."

Mr. HEARD. I have no objection to the amendment.

The SPEAKER. Without objection, the amendment will be agreed to.

There was no objection, and the amendment was agreed to.

The bill as amended was ordered to be engrossed for a third reading; and being engrossed, it was accordingly read the third time, and passed.

On motion of Mr. HEARD, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### POST-OFFICE BUILDINGS.

Mr. BANKHEAD. Mr. Speaker, I desire to ask the correction of a reference of the bill which I send to the Clerk's desk.

The title was read, as follows:

A bill (H. R. 3440) to provide for post-office buildings.

The SPEAKER. This bill has been referred to the Committee on the Post-Office and Post-Roads. That committee will be discharged from the further consideration of the bill, and it will be referred to the Committee on Public Buildings and Grounds.

#### REPORTS OF COMMITTEES.

The committees were called for reports.

#### ENGROSSMENT OF BILLS AND JOINT RESOLUTIONS.

Mr. RICHARDSON of Tennessee. Mr. Speaker, I desire to submit a privileged report from the Joint Commission appointed to investigate the Executive Departments of the Government. It is a concurrent resolution.

The SPEAKER. The Clerk will first report the concurrent resolution submitted by the commission.

Mr. RICHARDSON of Tennessee. I ask that we have order, as this is a matter of some importance.

The SPEAKER. This is an important matter, as it relates to the engrossment and enrollment of bills.

The Clerk read as follows:

*Resolved, by the House of Representatives (the Senate concurring)*, That, beginning with the first day of the regular session of the Fifty-third Congress, to wit: the first Monday in December, 1893, in lieu of being engrossed, every bill and joint resolution in each House of Congress at the stage of the consideration at which a bill or joint resolution is at present engrossed shall be printed, and such printed copy shall take the place of what is now known as, and shall be called, the engrossed bill or resolution, as the case may be, and it shall be dealt with in the same manner as engrossed bills and joint resolutions are dealt with at present, and shall be sent in printed form, after passing, to the other House, and in that form shall be dealt with by that House, and its officers in the same manner in which engrossed bills, and joint resolutions are now dealt with.

*Resolved*, That when said bill or joint resolution shall have passed both Houses, it shall be printed on parchment, which print shall be in lieu of what is now known as and shall be called the enrolled bill or joint resolution, as the case may be, and shall be dealt with in the same manner in which enrolled bills and joint resolutions are now dealt with.

*Resolved*, That the Joint Committee on Printing is hereby charged with the duty of having the foregoing resolutions properly executed, and is empowered to take such steps as may be necessary to carry them into effect, and provide for the speedy execution of the printing herein contemplated.

The SPEAKER. The Clerk will now read the report.

The report (by Mr. RICHARDSON of Tennessee) was read, as follows:

Report of the Joint Commission to inquire into the status of the laws organizing the Executive Departments of the Government, etc.

The commission have considered the House concurrent resolution in reference to the engrossing and enrolling of bills and joint resolutions, and have inquired into and made an investigation of the matters involved therein. The object of this inquiry and investigation was primarily the prevention of mistakes and errors in such engrossment and enrollment; and, secondarily, a reduction of the expenses thereof. Much complaint has arisen by reason of the errors and mistakes which occur at every session of

Congress in the measures which pass that body. It is believed, and it is doubtless true, that in nearly every instance such errors are directly traceable to the clerical force engaged in the work of engrossing and enrolling these measures. In the nature of things it is almost impossible to prevent them oftentimes in the haste in which the work is done.

The commission have made investigation into the methods pursued in the legislative bodies of other countries than our own in respect to these matters. They have also made inquiry as to the system followed in some of the States of the Union. It is found that in nearly all the leading foreign parliamentary bodies, and in several of our own States, the old method or system of engrossment and enrollment by hand, with ink and pen, has been abandoned. As far back as 1849 the Parliament of Great Britain abandoned this method, and adopted that of printing. They applied it at first only to bills of a public or general character for both houses. It was found, however, that the new arrangement was so productive of economy, convenience, and dispatch, and so tended so much to lessen the chance of errors, that they speedily applied it to private bills, and resolutions of every character. The commission is informed by a recent communication received from an officer of that Parliament that since 1849 the practice then adopted has been constantly followed.

It is believed by the commission that the change to printing will largely prevent errors, and that it will considerably reduce expenses. It is not believed that any delay will result by reason of this change in the preparation of the measures which are to be engrossed or enrolled, as the printing can be done quite as expeditiously and it is claimed more rapidly than the engrossing and enrolling can be done by the old method. The commission therefore direct that the concurrent resolution of the House providing for the change herein indicated be reported favorably and be concurred in by the two Houses.

ALEX. M. DOCKERY,  
JAMES D. RICHARDSON,  
NELSON DINGLEY, JR.,  
*Members on the part of the House.*

F. M. COCKRELL,  
JAMES K. JONES,  
S. M. CULLOM,  
*Members on the part of the Senate.*

Mr. RICHARDSON of Tennessee. Mr. Speaker, as will be readily seen, this resolution contemplates a radical change in the method of engrossing and enrolling bills and joint resolutions. It is well understood that the engrossment of every bill is had before it is read a third time in legal and parliamentary contemplation, but as a fact the practice is that it is not engrossed until after it has passed through the House if it be a House measure, or the Senate if it be a Senate measure. This resolution does not change the time at which joint resolutions or bills will be engrossed, but it simply provides that at that stage at which they are engrossed they shall be printed, and that the printed form shall take the place of and be called the engrossed resolution or bill, as the case may be.

Mr. Speaker, the object of this resolution, as we state in the report, is not so much to economize as to prevent errors and mistakes.

Mr. HOPKINS of Illinois. Will the gentleman allow me to ask him a question?

Mr. RICHARDSON of Tennessee. I wish you would let me make my statement, and then I will yield to you cheerfully.

It is sometimes extremely difficult to detect errors in manuscript. The manuscript copy of a bill is not always in the best handwriting, and errors are very liable to creep in and to go undiscovered.

As stated in the report, much complaint has arisen by reason of the mistakes that have crept into the laws and have not been detected until after the adjournment of Congress, too late to prevent or to correct them. It is believed that by printing the "engrossed" copy errors will be much more easily detected, and if they are not detected then, they will almost certainly be discovered in the "enrolled" copy. The resolution provides for printing both the "engrossed" and the "enrolled" copies of bills and joint resolutions. The joint commission appointed to inquire into the machinery of the Executive Departments have devoted a good deal of time to investigating this question. They have obtained information from quite a number of foreign countries and also from some of the States as to the methods pursued in their legislative bodies. They have had considerable correspondence with the officers of the Parliament of Great Britain.

Some idea of the fullness of the correspondence may be obtained by the fact that the large bundle of papers which I hold in my hand includes only the information and the exhibits obtained from the officers of the British Parliament. I have here illustrations of the prints of bills and resolutions in England at the different stages as they progress through the two houses of Parliament. The joint commission, after examining the matter carefully, were unanimous in the conclusion set forth in the report. The only objection urged against the change which seemed to have any force was as to the difficulty of printing the "engrossed" copy of a bill, and also the "enrolled" copy, in time for them to be acted upon by the two Houses of Congress.

Upon that question we have examined the Public Printer and also the foreman of printing in the Government Printing Office, and from their statements and from the information we have received from foreign parliamentary bodies, and also from some of the legislative bodies of the States where this method has been adopted, we believe that the printing can be done just as expedi-

tiously as the writing. If members will take the trouble to examine these samples of English bills, they will see at once that it would be much easier to detect an error in this print than in any manuscript copy, so that really the only question presenting any doubt is as to whether the work can be done as expeditiously in this way as by the old method.

I hold in my hand an enrolled copy of an English bill ready for signature. In making the investigation the committee found, I repeat, that the only objection that seemed to have any force was this one as to the rapidity with which the work could be done. Now, if a bill has to be written, whenever it is engrossed or enrolled we know that that always takes time; and inasmuch as a portion of the work can be anticipated with the printing press just as easily as it can be under the present system, we believe there will be no difficulty in carrying this resolution into effect. The officers of the Government Printing Office say that if they can have only three or four hours they can present the longest bill ready for the signature of the proper officers of both Houses and of the President.

Mr. STOCKDALE. Will the gentleman please explain how this change would prevent errors?

Mr. RICHARDSON of Tennessee. It is so much easier to detect an error in plain print than in manuscript that the gentleman's question almost answers itself. The enrolling officers of this House, first the Clerk, and afterwards the Committee on Enrolled Bills, have to scrutinize each bill and resolution, and, as I have already said two or three times, it will be very much easier for them to detect errors in print than in writing, and it is believed that by having an efficient proof-reader to aid them it will be almost impossible for a typographical error to creep into these bills or joint resolutions.

Mr. Speaker, I was saying, when the gentleman from Mississippi [Mr. STOCKDALE] put his question, that the only serious objection made to this change was that at the close of the short session of Congress, when we are compelled to adjourn at a given hour—12 o'clock on the 4th day of March—if a bill should be passed very late on the morning of the 4th, the printers might not have time to enroll it, but the same difficulty would arise if it had to be copied with pen and ink; and the officers of the Government Printing Office say that if they can be allowed three or four hours they can print and have ready for signature the longest bill that ever came before Congress. As a matter of fact, we are informed that at the close of the last Congress the last conference report on the last appropriation bill was signed before 5 o'clock on the morning of the 4th, which would have given the fullest time.

The Public Printer and the foreman of printing in the Government Printing Office agree that if that were true generally there would be no possible danger of not having time to "enroll" such a bill and have it ready for the proper signatures and for the President's. The commission, therefore, have thought it prudent to recommend that Congress enter upon this reform. Since the English Parliament adopted it in 1849 they have adhered to it closely in every instance, and they say that under no circumstances would they now abandon it.

The gentleman from Maine [Mr. DINGLEY], who is paying attention, and who is a member of the joint commission, tells us that this practice has been followed in his State for a great many years, and he will describe to the House how it operates there. I now yield to him if he desires to address the House.

Mr. DINGLEY. As a member of the joint commission I joined very heartily in reporting this bill for a reform in the method of engrossing and enrolling bills by print rather than by writing. As has been stated by the chairman of the committee [Mr. RICHARDSON of Tennessee], this system of engrossing and enrolling bills by print has been in existence in the British Parliament since 1849, commencing at that time with public bills, and working so well with reference to them that in a very few years it was extended to private bills. Visiting England lately, I had a conference with the clerk of the British House of Commons, who said to me that on no account would they think of going back to the old method of engrossing by writing.

But not only abroad has there been experience in this matter, but in our country several States have adopted the plan of engrossing and enrolling bills in print instead of in writing; and every State that has adopted this plan has continued and extended it, regarding it as a perfect success. In my own State of Maine this plan was adopted twenty years ago—at first with some doubt as to whether the work could be done expeditiously; but experience has shown that the work can be done as expeditiously as in writing; and the success in securing accuracy has been most remarkable.

Gentlemen will observe that engrossed and enrolled bills in print may be easily examined by members who are interested in the bills for the purpose of discovering errors. As the bills

in this form can be read more easily, errors can be more readily detected, the examination admitting of a carefulness which is impossible under the system of having the bills in writing. Moreover, it is found that when the bills are put in type and printed, the careful reading by the proof-reader and the subsequent reading by the committees of the House and Senate will practically exclude errors in all cases.

Gentlemen are aware that bills are often passed in a hurry through the House and the Senate, especially near the close of a session, and that errors in enrollment have frequently arisen. In several of the last appropriation bills these errors were of great importance in many respects. It is almost impossible, in scanning a written page and doing it hurriedly, to be able to detect every error that may exist. But in reading a printed page there is hardly any difficulty in discovering errors, especially when it is taken into consideration that these pages will be in the first place thoroughly read by practical proof-readers in the Government Printing Office, and that afterwards they will be subject to the inspection of every member of the House who cares to ascertain whether perfect accuracy has been observed.

So much for the efficiency and accuracy which may be expected from this reform. Now, as to the expense: Experience has shown that this system, instead of increasing the expense, will actually reduce it. In my own State the expense of engrossing and enrolling our bills has been reduced nearly 25 per cent as compared with the expense of written engrossment and enrollment by clerks. So that, in addition to greater accuracy and uniformity and promptitude, this system will conduce to economy. I am, therefore, on this account, heartily in favor of the proposed change. As the system has been tried not only abroad, but in this country with such success, I hope the House will concur in this proposition.

Mr. CULBERSON. Can the gentleman tell us what the difference in cost will probably be?

Mr. DINGLEY. It is estimated that the system now proposed to be introduced will cost about 25 per cent less than the system of enrolling in writing. But if that estimate should be a mistake, the change will certainly not cost any more. In my own State, as I have said, the cost is less. At any rate, the accuracy which the system will secure, even if the change should entail a little additional cost (which it will not), would compensate for some increased expense in the matter.

Mr. CULBERSON. There must be a great difference in the cost of paper as compared with parchment.

Mr. DINGLEY. Under the plan proposed, only one copy, the enrolled copy, will be printed on parchment; the engrossing and extra copies of the enrolled bill which may be wanted will be printed on ordinary linen paper.

Mr. CULBERSON. How do you expect to correct errors which may occur in the enrolled copy on parchment?

Mr. DINGLEY. The matter must, of course, be freed from all errors before it is finally printed on parchment.

Mr. CULBERSON. I notice there are many errors in the work which comes to us in print from the Government Printing Office.

Mr. DINGLEY. Those result from reading the proof of bills in a hurry at a stage where thousands of bills are being preliminarily printed; but that trouble will not arise in connection with the engrossing and enrolling of the comparatively few bills that reach that stage when accuracy becomes vital. There will be, first, the printing of the bill for consideration in either House—that is, the print we ordinarily have here, on ordinary paper; then there will be the reprinting of the bill after it is reported, which will be on ordinary paper; then there will be the printing of the engrossed copy upon linen paper; this will be after the bill has been amended in the House and Senate and when accuracy is supposed to be secured. Then for the final enrolled copy there will be careful reading of the proof by the skilled proof-reader in order to free the matter from all possible errors before the parchment copy is struck off. Thus there will be secured the highest degree of accuracy. And after all this there will then be the comparison of the enrolled bill, in print, with the original by the Committee on Enrolled Bills.

Mr. CLARK of Missouri. I would like to ask the gentleman from Maine whether there is now any provision in the law or in our rules to prevent or prohibit erasures in enrolled bills?

Mr. DINGLEY. After the bill has been enrolled?

Mr. CLARK of Missouri. Yes, I mean in the enrolled copy.

Mr. DINGLEY. Oh, of course the securing of a perfect enrolled copy is a matter which comes finally under the observation of the Committees on Enrolled Bills of the House and the Senate.

Mr. CLARK of Missouri. Now, suppose it should turn out, even with the greatest caution the printers can use, that there should be substantial errors in the printed copy of the enrolled bill—the last printed copy—would it not be more difficult, let me ask

the gentleman, and require a good deal more time, when time is the essence of things, to have it sent back to the Printing Office and make the necessary corrections in type, than to have a clerk to do it, where manuscript is used, with a pen?

Mr. DINGLEY. I think not. In any event, I think having the two reprints, and the accurate examination of the bill, which is necessarily required by a skilled proof-reader before the final print is made, it will be more likely to eliminate every possible source of error. But assuming that an error should be discovered in the enrolled bill, as it may be discovered in a written bill. In that case there must be, of course, the re-enrollment of the bill, or, rather, the page on which the error appears; and it would be just as much trouble to make a copy with a pen as to have a copy prepared in type. It would require, in fact, more time as a rule, because in many cases the change of a single word or two in the type would secure the correction required, whereas the whole page would probably have to be rewritten in the manuscript. Besides that, as I have already said, in this case there is a double or a triple reading of the bill, first by a practical proof-reader, who revises all the copy, then by the committee of the House, and by the Senate committee.

Mr. CLARK of Missouri. Is it not true that on one occasion the misplacement of a comma in an enrolled bill made a difference of many thousands of dollars in the revenues of the Government?

Mr. DINGLEY. That is correct, I believe, but that was in a written enrolled bill.

Mr. CLARK of Missouri. Is it not true also that of all men on the face of the earth practical printers are more wedded to their own theories of punctuation than any other set of men in the world?

Mr. DINGLEY. But the gentleman must remember that in enrolling a bill for the final signatures the printer would not be allowed to exercise his own discretion as to the punctuation or even the use of words. He would be required to adhere absolutely to the copy, just as a writer would in the manuscript enrollment.

Mr. CLARK of Missouri. Do you think the printers in the Government Printing Office could ever be induced to follow copy when they think the punctuation is different from what they suppose it ought to be? If so, I would like to have the recipe for it.

Mr. DINGLEY. They would not be any more subject to error on that account than any clerk. They would be compelled to follow copy in a legal document which must be an accurate duplication. At any rate, there has never been any difficulty in such direction that I have ever heard of. The fact that one has a printed copy before him leads to greater accuracy, because it is so much easier to read a printed document than a written one and to see exactly whether there is an error or not. Besides that, the printed copies of bills are in the hands of all members, and parties interested would ascertain the existence of errors in the sections of a bill before they are finally acted upon by the House and Senate.

The suggestion has been made that there might be some difficulty in securing the engrossment and enrollment of a long appropriation bill or bills, which should not finally pass till 5 or 8 o'clock in the morning of the 4th of March at the close of a short session.

Practically I think there would be no more difficulty in enrolling a bill in such a situation by print than is now experienced by writing. The practice now is for the enrolling clerks to engross beforehand all the sheets containing matters in which the two Houses have concurred, reserving only the sheets containing the points in dispute or in conference; thus leaving only two or three pages to be engrossed in the three or four hours before adjournment.

This is exactly what would be done if the bill or bills were to be engrossed and enrolled by print. Indeed, an entire bill or a part of a bill can be engrossed by print, in case of necessity, more rapidly than by writing, because the number of clerks that can be put on the work can not exceed the number of pages. But the number of printers that can be put on the work is limited only by the large force of the Printing Office. A half a dozen printers can be putting a page into type at the same time, because the page is printed from the type after it is set.

From every point of view engrossing and enrolling by print seems to me far preferable to engrossing and enrolling by writing.

Mr. HOPKINS of Illinois. I would like to ask the gentleman from Maine a question with his permission. Is there any provision in the constitution of the State of Maine limiting the sessions of the Legislature of the State?

Mr. DINGLEY. There is not.

Mr. HOPKINS of Illinois. Is there any State in the United States where this practice in regard to enrolled bills has been adopted?



Mr. DINGLEY. There is not.  
Mr. HOPKINS of Illinois. Is there any in the British Parliament?

Mr. DINGLEY. Not any.  
Mr. HOPKINS of Illinois. Then I would like to ask the gentleman, or the commission, if the citation of the British Parliament, or the example of any of the States that have adopted this plan, will serve as a safe precedent with us where the second session of a Congress must necessarily terminate at a certain hour or a certain minute? In States where this rule prevails, or in the British Parliament, if it is ascertained that a bill can not be engrossed in sufficient time, they can make provision to extend the time of the sitting; but in Congress, at the second session, we must, whether the bill is engrossed or not, end the session at a certain moment. Now, it seems to me that this matter ought to be carefully considered by the House before so radical a change is adopted.

Mr. DOCKERY. But the gentleman from Illinois forgets that sometimes we employ the clock in extending sessions here even under the present system.

Mr. HOPKINS of Illinois. Oh, for a few moments, but not sufficient, I imagine, to imagine enough to meet an emergency that might arise if this new plan was adopted.

Mr. DOCKERY. Let me say to the gentleman further, that there is not a civilized government in the world, except the United States, which employs the present system of enrolling bills by the pen.

Mr. HOPKINS of Illinois. Well, there is no other government in the world that has just such a regulation that the legislative assembly must end its session and terminate its existence at such an hour and minute.

Mr. DOCKERY. I have no information on that question, and ask the gentleman from Illinois if he is prepared to assert that the statement he has just made is accurate?

Mr. HOPKINS of Illinois. I am prepared to defend the statement, if questioned by the gentleman from Missouri. [Laughter].

Mr. DOCKERY. The "gentleman from Missouri" is inclined to think that the gentleman from Illinois is mistaken.

Mr. RICHARDSON of Tennessee. The same trouble arises in reference to the enrollment of a bill with a pen; and, as I stated when I had the floor, as a matter of fact the last bill in one session of Congress was presented and the conference report signed before 5 o'clock on the 4th of March.

Mr. HOPKINS of Illinois. Now, that is one separate instance; but there have been many where the time was not sufficient without an extension of it to allow the work to be done.

Mr. RICHARDSON of Tennessee. It is well known that wherever there is a disagreement in matters between the conference committees it is usually on some one subject, and while considering that the remainder of the bill would be engrossed, except possibly a half dozen or a dozen lines, all the rest being presented and ready for signature, and all that the printer would have to do when the conference committee had agreed, even as late as 10 or 11 o'clock on the day of final adjournment, would be to print five or six lines and insert them in the proper place in the bill.

These printers say there would be no difficulty whatever in doing that. All they would want would be a little time.

But, Mr. Speaker, if this system brought about a change in our methods of passing bills the last few moments or the last hour or two of a Congress, it seems to me it would be very desirable.

Mr. HOPKINS of Illinois. It might be desirable, if the gentleman wished an extra session.

Mr. RICHARDSON of Tennessee. If it was understood we could not get a bill through at the eleventh hour, it would perhaps be very well for us, and certainly would not work any harm.

Now, the idea the commission have is not to let it interfere at first with our corps of engrossing and enrolling clerks. It is an experiment. It is tentative, in other words, as we propose to put it to work. We do not propose to burn our bridges behind us so that we can not go back to the other process if it be desirable to do so; but we believe it can be instituted, that it is a reform that ought to be inaugurated, and that much good will come from it. We want to begin it with the long session, in order that there may be ample time to get the force ready to do the work.

I want to say that we conferred most fully with our corps of clerks, with the gentlemen who have charge of engrossing and enrolling, and particularly with the Chief Clerk of this House [Mr. TOWLES], who has had very long experience in this matter. And I want to say for him and to his credit, that this is a reform which he has been urging upon Congress for many years. He believes that it can be made most effectual. I can not see that

there can be any objection to it, when we propose to test it in the method I have described.

The question has been asked me whether it will interfere with our Committee on Enrolled Bills. By no manner of means. It is not intended to interfere in anyway with the system that is followed of engrossing and enrolling the bills. The engrossment and enrollment will take place just as at present, except the substitution of a printed for a written copy in each case.

With regard to the suggestion made by my friend the gentleman from Missouri [Mr. CLARK] with reference to the printer controlling the punctuation, as a matter of fact he could not do it if he desired to do it. The measure with punctuation complete must be submitted to the chairman of the Committee on Enrolled Bills. He reads it and has the last opportunity to pass upon it, even if the printer has punctuated it improperly.

Mr. CLARK of Missouri. You have been in this Congress a good long time, and you have had a good many speeches printed, have you not?

Mr. RICHARDSON of Tennessee. Yes, a few.

Mr. CLARK of Missouri. Did you ever get those printers over there to print a speech as you wanted it printed, as to punctuation?

Mr. RICHARDSON of Tennessee. Perhaps not, but in such cases the Committee on Enrolled Bills did not review the proof, after the proof-reader had passed it in the Printing Office. In this case the last man to observe the punctuation would be the chairman of the Committee on Enrolled Bills.

Mr. CLARK of Missouri. They are no worse about it than other printers; but if they send you the proofs of your speech and you go through it and change the punctuation back to the way you had it originally, can you get them to fix it that way then?

Mr. RICHARDSON of Tennessee. Well, there may be difficulty about that; but I do not hesitate to say that you will find the proof-readers of the Government Printing Office, as a general thing, are very accurate.

Mr. CLARK of Missouri. I know that.

Mr. RICHARDSON of Tennessee. Many of them have been there a great many years, and they study the question of punctuation as experts. Besides, it is well to say that the office has rules for punctuation, the object being to establish uniformity as far as practicable.

Mr. CLARK of Missouri. But that is the very trouble about the whole business. The Government printers are, as I suppose, the crack printers of the whole country. They have their theories about how a thing ought to be punctuated and printed, and they are going to stick to them unless there is some power that compels them to change them. The matter of taste will not go.

Mr. RICHARDSON of Tennessee. The gentleman may be right in that; but that objection would not apply in this case, because our Committee on Enrolled Bills will not be interfered with, and can control the question. They will make the same reports; and it will be their duty to pass upon every bill and joint resolution to see that they are not only correct in every respect, but also in respect to punctuation.

Mr. OUTHWAITE. Is it the intention to have this printing done at the Printing Office, or to have it done here at the Capitol?

Mr. RICHARDSON of Tennessee. If it turns out that it can be done more expeditiously here, and if it is necessary to do it here, then a little printing press could be set up in some room of the Capitol, where the printing could be done at once; but it seems to me that would only be necessary at the close of a short session of Congress. If it is necessary, it could be done without any increased expenditure, of course, because it would be done by printers sent from the Government Printing Office, and with a Government press.

Now, Mr. Speaker, I ask the previous question on agreeing to the resolution.

The previous question was ordered.

The resolution was agreed to.

On motion of Mr. RICHARDSON, of Tennessee, a motion to reconsider the last vote was laid on the table.

#### ORDER OF BUSINESS.

The SPEAKER. The morning hour begins at ten minutes to 1 o'clock.

Mr. McRAE. Mr. Speaker, I desire to withdraw the bill (H. R. 119) and let it go to the Calendar from which it is taken up.

Mr. WILSON of Washington. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. WILSON of Washington. What condition will that leave that bill in?

The SPEAKER. Just in the condition it was before it was called up.

Mr. WILSON of Washington. Then it will be still on the Calendar as unfinished business?

The SPEAKER. It will be on the Calendar as unfinished business.

The committees were called.

MARTHA A. DEALY.

Mr. SOMERS (when the Committee on the Public Lands was called). Mr. Speaker, I am directed by the Committee on the Public Lands to call up for consideration the bill (H. R. 683) for the relief of the heirs of Martha A. Dealy, deceased.

The bill was read, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Commissioner of the General Land Office be, and is hereby, authorized and directed to allow the heirs of Martha A. Dealy, widow of David Dealy, to enter under the homestead laws, if the said David Dealy when living were qualified to make such entry, the north half of the northwest quarter of lots 3 and 4 of section 16, in township 38 north, of range 2 east of Willamette meridian, and to allow Mary Younkin, widow of Moses Younkin, to enter under the homestead laws, if the said Moses Younkin when living were duly qualified, the north half of the northeast quarter, and lots 5 and 6 of section 16, in township 38 north, of range 2 east of Willamette meridian, both of said tracts lying in Whatcom County, in the State of Washington, and to issue patents to the heirs of the said Martha A. Dealy, and to Mary Younkin for the respective tracts hereby authorized to be entered by them, upon their making such proof as is required by existing laws, and executive regulations, and in compliance with the requirements of the homestead laws: *Provided,* That the State of Washington, by the proper State officer, or officers thereto duly authorized by laws of said State, shall first select, or shall signify a willingness to select, according to the laws regulating selections of other land of equal area, to be taken and held by said State in lieu of the land hereby authorized to be entered, and such selections shall be a waiver of any right of said State to the land above described as indemnity school lands.

Mr. SOMERS. Mr. Speaker, I ask to have this bill considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Wisconsin asks unanimous consent to consider this bill in the House as in Committee of the Whole. Is there objection?

Mr. SAYERS. Let it take its regular course.

The SPEAKER. Objection is made.

Mr. SOMERS. I move that the House resolve itself into Committee of the Whole for the consideration of this bill.

The motion was agreed to.

The House accordingly resolved itself into Committee of the Whole, Mr. OATES in the chair.

The CHAIRMAN. The House is in Committee of the Whole for the consideration of a bill the title of which the Clerk will read.

The title was again reported.

Mr. SOMERS. Mr. Chairman, I ask for the reading of the report.

The report (by Mr. SOMERS) was read, as follows:

The Committee on the Public Lands, to whom was submitted the bill (H. R. 683) for the relief of the heirs of Martha A. Dealy, deceased, have had the same under consideration, and report it back with the recommendation that it pass.

The bill is recommended by the Interior Department in the following letter, which is made a part of this report:

DEPARTMENT OF THE INTERIOR,  
GENERAL LAND OFFICE,  
Washington, D. C., October 9, 1893.

"SIR: I have the honor to acknowledge the receipt, by reference from your office, for report thereon, of House bill No. 683, 'for the relief of the heirs of Martha A. Dealy, deceased,' submitted by the chairman of the Committee on the Public Lands, House of Representatives, with his letter of the 26th ultimo, for your opinion thereon.

In connection therewith I beg leave to call your attention to the fact that a bill (S. 1504) similar in its intent and purpose to that now before me was reported in Congress on March 7, 1892, and upon which a full and complete report favorable to its passage had been made by this office on February 1, 1892.

This last-mentioned bill, I am informed, was favorably reported upon by the Committee on Public Lands of both the Senate and House of Representatives; was passed by the latter, and only failed of passage in the Senate by the failure to call it up in time during the closing hours of the Fifty-second Congress.

The present bill differs from the former only in the fact that in the previous bill the beneficiaries named were the heads of two families, Messrs. David Dealy and Moses Younkin, since deceased, while the beneficiaries named in the present bill are the heirs of the original claimants and of the wife of the first named, also deceased; and also in the fact that in the present bill it is made obligatory upon the State of Washington first to select, or signify its willingness to select, according to the laws regulating selections, other land of equal area, to be taken and held by said State in lieu of the land authorized thereby to be entered, which selection, it provides, shall be a waiver of any right of the State to said land; whereas in the former bill the State was simply authorized to make such selection.

Owing to the fact that the conditions relating to this case remain the same as when the former report was made except in the particulars mentioned above, I have considered it unnecessary to make a new report, but submit herewith a copy of the former opinion, as contained in the report of the Committee on Public Lands in the Senate, referred to above, as embodying the views of this office upon the question therein presented.

The bill, together with the letter of Mr. MCRAE, transmitting the same, are herewith returned.

Very respectfully,

S. W. LAMOREUX,  
Commissioner.

"The SECRETARY OF THE INTERIOR."

[House Report No. 1950, Fifty-second Congress, first session.]

The Committee on the Public Lands, to whom was referred the bill (S. 1504) for the relief of David Dealy and Mary Younkin, respectfully submit the following report:

A full statement of the facts and the merits of the case are set forth in the following letter from the Commissioner of the General Land Office:

DEPARTMENT OF THE INTERIOR, GENERAL LAND OFFICE,  
Washington, D. C., February 1, 1892.

SIR: I have the honor to acknowledge the receipt, by reference from you, of Senate bill No. 1504, entitled "A bill for the relief of David Dealy and Moses Younkin," with request for a report thereon. The purpose of this bill is to confirm the title of the beneficiaries to certain land in a school section, viz. Sec. 16, T. 38 N., R. 2 E., in the State of Washington, and to allow the said State to select an equal quantity of other land in lieu thereof in satisfaction of its school land grant.

From affidavits and other papers on file in this office, it appears that David Dealy settled upon land in said section in March, 1884, having purchased the possessory right of one William Wood, who had, in the year 1859 or 1860, bought the same from one Monroe, who was occupying the land at the date of survey, intending to claim it under the donation law.

The other beneficiary settled at a later date, having bought a part of Dealy's claim, apparently in the belief that it was public land by virtue of Monroe's occupation thereof previous to and at the time of survey, which was supposed to have effected a permanent exception of the land from the reservation in favor of schools.

In order that it may be understood how such belief could be entertained, a brief resumé of some departmental rulings previous to and at the time may be necessary.

It appears that prior to 1878 the holding of the Department in reference to settlements on school land in California under the seventh section of the act of March 3, 1853, was that land to which the grant did not attach at the date of survey could not thereafter become subject to the right of the State, although the original settler should abandon his claim or sell it.

In 1878 a contrary view was adopted, and it was held that the right to claim the land as excepted from the grant was personal to the original settler; and that upon his abandonment thereof the land would revert to the grant or reservation, to the exclusion of subsequent settlers (Gates vs. California and Oregon Railroad Company, 5 C. L. O., 150; Mette vs. State of California, *ibid.*, 164). This view was adopted on a certain construction of the language of the Supreme Court in the case of the Water and Mining Company vs. Bugbey (96 U. S. R., 165). In 1882, in Perkins vs. Central Pacific Railroad Company (1 L. D., 336), Secretary Teller, after considering the decision in the case mentioned and comparing it with the explanatory comments made therein in Mining Company vs. Consolidated Mining Company (102 U. S. R., 167), held that the former case had been misconstrued, and reaffirmed the doctrine held prior to 1878. Secretary Teller, in a decision dated December 4, 1884, in the case of Giovanni Le Franci (3 L. D., 239), again reviewed the Supreme Court decisions and held that if a tract was excepted from the school grant at the date of survey it could not afterward be claimed by the State.

In August, 1888, the Department, in the case of the State of California (7 L. D., 170), again changed its opinion upon this question, and announced the doctrine assumed in 1878 and discarded in 1884, which denied the right to enter school land in a school section to all except the original settler. This holding has, since 1888, been several times affirmed, and is now the rule of the Department, not only with reference to California cases, but as of general applicability; and it was under this ruling that the claims of Dealy and Younkin to enter the land claimed by them were rejected by office decision of August 19, 1889.

From the foregoing outline of departmental decisions it will be seen that between the years 1882 and 1888 land in the predicament of that described in the bill in California was held to be public land free from the reversionary interest of the State, and open to settlement after abandonment by the original settler, whose occupation at the date of survey was held to except it from attachment of the school grant or reservation. It is true the decisions cited had reference to cases in California arising under the seventh section of the act of March 3, 1853 (10 U. S. Stat., 244), and not under the general law; but in the popular mind they received a general application, and parties might naturally have been misled thereby. It was during this period that Dealy made settlement.

Younkin's settlement appears to date only from about March 1, 1889. It may be noted, however, that while the doctrine at present held by the Department under the California law had been announced in 1888, the decisions on the subject were few and far from conclusive.

It appears from the papers on file in this office that the said beneficiaries have made permanent homes and valuable improvements upon the land claimed by them, and their cases seem meritorious for legislative action.

The county commissioners of Whatcom County, within which the land lies, by a resolution adopted November 5, 1889, recommended that the titles of the beneficiaries be confirmed. Such a course would not cause any loss to the United States, which would thereby simply grant an equal amount of indemnity and receive in exchange therefor the land in place, to be disposed of under the homestead or other law; nor to the State, which will simply relinquish its claim to this particular land, her title to which is controverted, and receive an equal amount under a clear title. The proposed measure seems, therefore, beneficial to all parties concerned.

It should perhaps be added for your information that if the State renounce its right to the land claimed by the settlers she will be entitled to an equal amount of indemnity as is allowed by the bill. The selections heretofore made in lieu of deficiencies in this township have been calculated on the assumption that the land described belongs to the State. In several contested cases this office has had occasion to consider the allegation that these selections are excessive, and has invariably found that the charge was not sustained and that the aggregate amount selected does not equal the deficiencies existing, counting this land as the property of the State. The same conclusion was reached by the Department in the case of William Galloway (12 L. D., 80), in which the point was raised with specific reference to the selections in lieu of deficiencies in this township. If, therefore, the State relinquish its title to the portions of the school section covered by the claims of the parties named, it will undoubtedly be entitled to an equal amount of other land in lieu of the deficiencies thus created.

I see, therefore, no objection to the measure proposed in the bill, and am rather of the opinion that its adoption would be in the interest of justice in that it is intended to afford relief to two meritorious citizens who have invested their all in these claims.

That expedients of this kind for the relief of deserving claimants are not without precedent in Congressional legislation is shown in the passage of an act on June 9, 1880, for the relief of certain settlers within the late Fort Kearney military reservation in Nebraska (21 U. S. Stat., 552; Land Laws, Local and Temporary, volume 2, page 338).

In view especially of the fact that these settlers went upon the land in the belief that their occupation thereof was in accordance with the law, have continued to reside thereon in good faith since that time, and have expended

a considerable amount of money in improvements thereon, it would seem that they are deserving of all consideration that can be shown them.

The bill is herewith returned.

Very respectfully,

THOS. H. CARTER, *Commissioner.*

THE SECRETARY OF THE INTERIOR.

In the foregoing the Secretary of the Interior concurs.

From affidavits filed with this committee it appears that since the passage of this bill by the Senate, David Dealy has died, leaving a widow, Martha A. Dealy.

The committee therefore recommends that the bill be amended by substituting the name of "Martha A. Dealy" for that of "David Dealy," wherever the latter occurs in the bill, and by making like substitute in the title. With these amendments the committee recommends that the bill do pass.

Mr. SOMERS. If there is no desire to debate the bill, I move that it be reported to the House with the recommendation that it do pass.

The motion was agreed to.

The committee accordingly rose, and the Speaker having resumed the chair, Mr. OATES, Chairman of the Committee of the Whole, reported that the committee had had under consideration the bill (H. R. 683) for the relief of the heirs of Martha A. Dealy, deceased, and had directed him to report the same back to the House with the recommendation that it do pass.

The bill was ordered to be engrossed for a third reading, and being engrossed it was accordingly read the third time, and passed.

On motion of Mr. SOMERS, a motion to reconsider the vote by which the bill was passed was laid on the table.

#### CASH ENTRIES OF OFFERED LANDS.

Mr. SOMERS. Mr. Speaker, I am directed by the Committee on Public Lands to call up for consideration the bill (H. R. 4244) to confirm cash entries of offered lands. The report has not yet come in.

The bill was read, as follows:

*Be it enacted, etc.,* That all private cash entries of public land subject to sale as offered lands, made between the dates of the approval of the joint resolution of May 14, 1883, and its promulgation, May 29, 1888, in case in which all requirements of law have been complied with, be, and the same are hereby, confirmed.

Mr. DINGLEY. Does not that bill require consideration in the Committee of the Whole?

The SPEAKER. The Chair did not pay attention to the reading of the bill. The gentleman from Maine raises the question that this bill should be considered in Committee of the Whole.

Mr. DINGLEY. I merely asked whether it should not be considered in Committee of the Whole. I did not notice the reading. Is it not the granting of public land by confirming the title?

The SPEAKER. It seems to the Chair that this bill ought to be considered in Committee of the Whole.

Mr. MCRAE. The bill seeks to confirm some entries made between the passage of a joint resolution and its promulgation. I suppose that it ought to go to the committee.

The SPEAKER. The bill will have to be considered in Committee of the Whole.

Mr. SOMERS. I move that the House resolve itself into Committee of the Whole for the consideration of the bill.

The motion was agreed to.

The House accordingly resolved itself into Committee of the Whole, Mr. OATES in the chair.

The CHAIRMAN. The House is in Committee of the Whole for the consideration of a bill the title of which the Clerk will read.

The title was again reported.

Mr. SOMERS. I now yield to the gentleman from Arkansas.

Mr. MCRAE. Mr. Chairman, Congress on the 14th of May, 1888—

Mr. DINGLEY. Should not the bill and report be read?

The CHAIRMAN. The gentleman from Arkansas will suspend until the Clerk reads the bill.

The bill was again read.

Mr. MCRAE. Mr. Chairman, Charles A. Hall, a constituent, I believe, of the gentleman from Alabama [Mr. WHEELER], made a cash entry between the passage of the resolution, May 14, 1888, and May 29, the date of the promulgation of that resolution, which I will ask the Clerk to read:

The Clerk read as follows:

Joint resolution relating to the disposal of public lands in certain States.  
*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That the public lands of the United States in the States of Mississippi, Arkansas, and Alabama now subject to private sale as offered lands shall be disposed of under and according to the provisions of the homestead laws only until the pending legislation affecting such lands shall be disposed of or the present session of Congress shall adjourn: *Provided,* That any isolated or disconnected tracts or parcels of the public domain less than 160 acres may be ordered sold at private or public sale for not less than \$1.25 per acre by the Commissioner of the General Land Office, when, in his judgment, it would be proper to do so.  
Approved May 14, 1888.

Mr. MCRAE. After the passage of that resolution, and before

it was promulgated in the States named, a few persons made entries of what is known as offered land, the money was paid and all the requirements of the law complied with. This private bill, introduced by Gen. WHEELER, was to confirm the entry of Mr. Hall. It was referred to the Interior Department. The Secretary and Commissioner recommend in lieu of that bill a general bill, so that a few entries made between the dates named, covering a period of about fifteen days, may be confirmed.

Mr. HERMANN. I desire to ask the gentleman from Arkansas whether this bill pertains to all private cash entries in any part of the country between those two dates, or does it apply to the States named by the gentleman?

Mr. MCRAE. It applies to all the States where entries were made between those two dates, of offered land. You will understand that the bill only applies to those States, for the suspension resolution was only aimed at Arkansas, Alabama, and Mississippi. As a matter of fact you have no offered lands in your State.

Mr. HERMANN. I will ask the gentleman whether this substitute has been submitted to the Commissioner of the General Land Office?

Mr. MCRAE. It has not been. The Commissioner recommends that we pass a general law instead of the special act, so as to avoid the trouble and necessity of adjusting each one of these claims by a special bill.

Mr. HERMANN. And it only pertains to these suspended cash entries offered between those two dates?

Mr. MCRAE. Yes, sir. It might be safer to limit to the three States, Arkansas, Mississippi, and Alabama, and I will move that amendment.

Mr. WILSON of Washington. Will the gentleman allow me to ask him a question?

Mr. MCRAE. Certainly.

Mr. WILSON of Washington. As I understand it, all the lands in your section are offered lands?

Mr. MCRAE. They were nearly all offered lands.

Mr. WILSON of Washington. They are not now.

Mr. MCRAE. They are not now, in the sense that they can be sold for cash.

Mr. HERMANN. I ask that the bill and report be read.

Mr. MCRAE. The report does not appear to have come from the Printing Office yet. I can tell you what the facts are. The Commissioner of the General Land Office and the Secretary have considered the bill, and recommend that a general bill be passed in lieu of the private bill.

Mr. COBB of Alabama. Have you any information as to the amount of land covered by this bill?

Mr. MCRAE. There were but very few entries of this character between those two dates. The report from the General Land Office did not specify the number of entries nor the area, but there are very few. The money has been paid by the applicants, and the Commissioner of the General Land Office thinks that the entries made during that period by men whose money has been accepted and paid in the Treasury should be confirmed.

Mr. HERMANN. Mr. Chairman, I think it is due to the House, upon a matter so important as this, that it should be put in possession of the opinion of the Commissioner of the General Land Office, as it is in his office that all these suspended entries are, and inasmuch as the gentleman in charge of the bill states that the report is still in the hands of the printer, I ask him to consent that the matter be postponed until that report is printed and until we can get the views of the Land Office.

Mr. MCRAE. Mr. Chairman, I have stated the facts. The Commissioner of the General Land Office recommended the passage of a general bill covering this class of entries. I am willing to amend the bill so as to apply only to the States of Alabama, Arkansas, and Mississippi.

Mr. WILSON of Washington. Mr. Chairman, I think these titles ought to be confirmed in all the States where men have paid their money and it has gone into the general treasury. We want such a law in our Western country where we have "offered" lands. In your Southern States you have no offered lands now, as I understand. Wherever men have gone forward and made these entries, have complied with the law as they understood it, as they were told by the local land officers the law was, and have paid their money and taken their receipts, and that money has gone into the Treasury of the United States, there certainly ought to be some way by which the title to their lands can be confirmed.

Mr. MCRAE. So far as my information goes, I have never heard of any such cash entries in my State. There may be some. This one in Alabama is all that I have heard of, but the Commissioner of the Land Office informs me that there are a few other cases, and I hope the matter will not go over.

Mr. WILSON of Washington. I have no doubt that confusion

did arise in the Southern States in making the change from offered to unoffered lands, and I think there ought to be some legislation to give relief to those who suffered by reason of it.

Mr. HERMANN. Let me say that there are a great many of these suspended cash entries that were absolutely fraudulent in their inception, and that have been rightfully held up by the Commissioner. Now, I understand that this bill would virtually validate all classes of claims.

Mr. McRAE. It is not possible that there could be fraud in this class of entries. The lands were subject to sale at \$1.25 an acre, and the purchasers bought them at that price and paid their money, so that there could be no fraud, provided the lands were nonmineral lands. It was purely a sale of land, and no settlement was required of the purchaser.

Mr. HERMANN. But the man might not have been entitled to make the entry.

Mr. McRAE. The gentleman does not seem to understand that in the States in question lands that have been subject to sale for a certain period become "offered" lands subject to private cash entry by anybody. That was not the case in his State, but it was in these States. The resolution that has been referred to here withdrew all the offered lands in those three States, and that was followed later in the same Congress by an act prohibiting the sale of any lands for cash, and now those States are on the same footing with you. But during that period, a time when anybody had a right to buy these lands, a few men did buy and paid their money to the Government, and I think their titles ought to be confirmed or their money refunded.

Mr. HERMANN. But the gentleman must remember that the law required that an affidavit should be filed in each case as to the nonmineral character of the lands.

Mr. McRAE. Certainly. The Government has had ample time to determine the mineral quality of the land.

Mr. COBB of Alabama. Under the old law they could buy any amount of land, I believe.

Mr. McRAE. Yes.

Mr. COBB of Alabama. Now, would not the amount of land which was purchased between these two periods have something to do with the propriety of passing this bill?

Mr. McRAE. Certainly, if there was any considerable amount, but the Commissioner of the General Land Office says that there are only a few entries.

Mr. COBB of Alabama. But you are not able to inform us as to the exact amount.

Mr. McRAE. I have told you what the Commissioner says. He says that there are only a few entries. I know of no large transactions.

Mr. COBB of Alabama. Would it not be better to refer this bill to the Commissioner to have him state the exact amount? If a man purchased a homestead, that might be considered in our legislation.

Mr. WILSON of Washington. Suppose a man purchased 320 acres and paid his money for it and the local land office received his money and the General Land Office received it, and it went into the Treasury, do you not think his title to that land should be confirmed?

Mr. COBB of Alabama. Not necessarily.

Mr. WILSON of Washington. If you should try to get the money out of the Treasury, you would think differently. [Laughter.]

Mr. COBB of Alabama. Oh, there is no trouble about that.

Mr. SMITH of Arizona. I wish the gentleman would help me to get some out. [Laughter.]

Mr. COBB of Alabama. I will do my best to help you.

Mr. McRAE. In this class of cases I understand that there can be no refund of the money except by a special act of Congress, and no man who has not followed the course of one of these private bills to the Committee on Claims and through Congress can appreciate the difficulty of securing its passage. You refuse to give these men the land after taking their money, and then you say that they must go to Congress to get their money back. It is an outrage, and the larger the transaction the greater the outrage.

Mr. WILSON of Washington. Will the Chairman please have the resolution of 1888 read again for the information of the House.

The resolution was again read.

Mr. McRAE. Mr. Chairman, in order to avoid all question, I will move to amend the bill so as to confine it to those entries in the States of Mississippi, Alabama, and Arkansas. As a matter of fact it would not affect other States, but that amendment will avoid any question about it, and so I hope it will be adopted.

Mr. HERMANN. That will be more satisfactory.

The Clerk read as follows:

After the word "sale," in line 3, insert, "in the States of Alabama, Mississippi, and Arkansas," so as to read, "that all private cash entries of public lands subject to sale in the States of Alabama, Mississippi, and Arkansas," etc.

Mr. COBB of Alabama. Is there any necessity for providing for any other State except Alabama?

Mr. McRAE. The bill does not mention any State by name, but the resolution which makes this bill necessary applied to the three States named.

Mr. WILSON of Washington. Mr. Chairman, I am opposed to this amendment. Inasmuch as the tendency has been, during the last few years at least, to make our land laws general, applicable to all sections of the Union alike, it seems to me that this amendment should not depart from that policy. While it is true that this matter does not affect Western interests in any great degree, some cases might arise there under the bill; and knowing how difficult it is for people who have made entries in error at the local land offices to have refunded the money obtained by the Government, it seems to me that such persons ought to have an opportunity to perfect their titles and obtain patents under general laws. I am opposed in principle to legislation of this character providing for only two or three States. I think our public land legislation ought to be general. But while I am opposed to the amendment I shall not make any obstructive opposition.

The question being taken on the amendment of Mr. McRAE, it was agreed to.

Mr. McRAE. I move that the committee rise and report the bill as amended to the House.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. OATES reported that the Committee of the Whole on the state of the Union had had under consideration the bill (H. R. 4244) to confirm cash entries of offered lands, and had come to no resolution thereon.

The SPEAKER. The first question is on agreeing to the amendment reported from the Committee of the Whole.

The amendment was agreed to.

The SPEAKER. The Chair desires to call the attention of the gentleman from Arkansas [Mr. McRAE] to the fact that the word "case" in line 7 should apparently be "cases."

Mr. McRAE. Yes, sir; that is an error which should be corrected, and I ask that the amendment be made.

The SPEAKER. Without objection this typographical error will be corrected.

There was no objection.

The bill as amended was ordered to be engrossed and read a third time; and it was accordingly read the third time.

The question being on the passage of the bill,

Mr. COBB of Alabama. I move to recommit the bill to the Committee on Public Lands, with instructions to ascertain the amount of land covered by the bill and the purchasers and the amount purchased by each person.

Mr. McRAE. I hope the motion will not be agreed to.

Mr. COBB of Alabama. Is the motion debatable?

The SPEAKER. It is not.

The question being taken, the motion of Mr. COBB of Alabama was agreed to, there being—ayes 41, noes 31.

#### RAILROAD ON HOT SPRINGS RESERVATION.

Mr. GRESHAM. I am authorized by the Committee on Public Lands to call up the bill (H. R. 4243) granting the right of way for the construction of a railroad and other improvements over and on the Hot Springs Reservation, Hot Springs, Ark.

The SPEAKER. This bill is on the Calendar of the Committee of the Whole.

Mr. GRESHAM. I move that the House resolve itself into Committee of the Whole for the purpose of considering the bill.

Mr. HOPKINS of Illinois. Before that question is taken, with a view of ascertaining whether exception will be made to this measure, I would like to ask the gentleman from Texas [Mr. GRESHAM] how many rights of the kind contemplated in this bill have been granted to railroad companies during the last three Congresses. I have not kept accurate count, but the number is certainly very large.

Mr. GRESHAM. It is impossible for me to tell how many bills of this character have been passed by Congress.

Mr. HOPKINS of Illinois. It seems to me that if this thing is to continue the Hot Springs Reservation will be gridironed with railroads.

The question being taken on the motion of Mr. GRESHAM, that the House resolve itself into Committee of the Whole for the consideration of the bill, the motion was agreed to.

The House accordingly resolved itself into Committee of the Whole (Mr. OATES in the chair), and proceeded to the consideration of House bill No. 4243.

The bill was read, as follows:

Be it enacted, etc., That the right of way 45 feet in width, upon which to construct, equip, operate, and maintain a railroad with one or more tracks, is hereby granted to George W. Baxter, John D. Ware, Leslie Webb, and George M. Baxter, their associates and assigns, upon and over the West Mountain of the Hot Springs Reservation, as follows: Commencing at a point on first line marked A, 7 feet east of the line marked M on Government plat survey, 1892, for topography; thence by a route to be approved

by the Secretary of the Interior to the boundary line of said West Mountain Reservation, or as near thereto as shall be necessary, but the said railroad shall not obstruct any highway contemplated by the plans for the improvement of the Government reservation of Hot Springs, Ark., and the said grantees shall, by the erection of substantial iron bridges with closed beds and sides, or by means of tunnels, avoid rendering the crossings dangerous to passengers on the said highways, either in conveyances or on foot.

SEC. 2. That the said parties or their assigns shall cause to be made an accurate map and profile of the located line of said railway with the specifications for the construction thereof, and the same shall be approved by and filed with the Secretary of the Interior before the construction of said railroad shall be commenced. The Secretary of the Interior shall have the supervision and control over the location and construction of said railroad, which must be built and put in running order to the top of said mountain within two years from and after the passage of this act. Each of the conditions in this section shall be construed as a condition precedent to the grant herein made, and a failure to comply with any of them shall of itself work a forfeiture of the rights hereby granted.

SEC. 3. That the said parties or their assigns shall have the privilege of erecting on said West Mountain observatories, hotels, and such other buildings as may be considered by the Secretary of the Interior desirable for the accommodation of the public, and for such purposes, and for laying off and beautifying a park surrounding or adjacent to such buildings the said parties or their assigns are hereby privileged to use 5 acres of ground upon said mountain, they agreeing to build upon and beautify the same at their own expense. A survey and plat of the grounds to be used for the purposes herein mentioned shall be first submitted to the Secretary of the Interior and approved by him before any improvements shall be begun upon said land. Plans for all buildings shall be submitted to and approved by the Secretary of the Interior.

SEC. 4. That the said parties are to pay semiannually to the Interior Department, on account of the fund for the improvement of the permanent Hot Springs Reservation, the sum of 2 per centum of the gross annual earnings of said railroad and buildings and grounds.

SEC. 5. That all tolls, charges, or income received under or by reason of this grant shall be subject to the approval of the Secretary of the Interior, who shall from time to time prescribe rules and regulations for the management of said property.

SEC. 6. That Congress reserves the right to at any time alter, amend, change, or repeal the rights and privileges hereby conferred.

Mr. RAY. Is there a report accompanying this bill?

Mr. GRESHAM. There is a report, but I think it has not been printed; and if it were at hand it would contain only the recommendation that the bill be passed. The purport of the bill is to convey to certain parties named the right to construct a railroad from near the foot of West Mountain, in the Hot Springs Reservation, to the top of it. The construction of the road and its location are absolutely under the control of the Interior Department.

Mr. RAY. It seems to me that on so important a matter we ought to have some report.

Mr. GRESHAM. I think I can answer any question of the gentleman, or give him any information he may desire in regard to this bill.

Mr. RAY. Mr. Chairman, is it in order to consider a bill without the report?

Mr. GRESHAM. This bill was reported yesterday, and the report, as I have said, has not been printed; but a similar bill was passed in the last House.

The CHAIRMAN. The Chair holds that under the rule any bill reported and on the Calendar may be called up during this hour.

Mr. GRESHAM. The regulation of the road, the amount of tolls, the mode of its construction, and all matters of that character are left absolutely within the control of the Interior Department, by which the plans are to be approved.

Mr. HOPKINS of Illinois. I would like to ask whether the bill in its present form has been submitted to the Interior Department?

Mr. GRESHAM. The Interior Department submitted a bill which the committee modified, putting in it many more restrictions than were proposed by the Department.

Mr. HOPKINS of Illinois. Is there now anything on record which will show the differences between the bill as recommended by the Interior Department and the bill as reported by the committee?

Mr. GRESHAM. No, sir; I think not, because the bill as reported now is almost entirely a new bill, containing even more restrictions on the grant than were embodied in the recommendations of the Interior Department.

Mr. HOPKINS of Illinois. Does the gentleman in charge of the bill know whether, as presented to the committee now, this bill has received the favorable consideration of the Interior Department?

Mr. GRESHAM. It has every restriction placed on it that was suggested by the Interior Department, and many more, I will say to the gentleman.

Mr. HOPKINS of Illinois. But that does not answer the question. Does the gentleman know whether in its present form the bill meets the approval of the Interior Department?

Mr. GRESHAM. I can not say; but as all the views he has suggested, and something more are contained in the bill, I do not see how he can possibly object. It goes beyond what he recommended even. Now, in the first instance, the bill as originally introduced here, did not provide for a limit to the right of way.

He suggested that there should be certain tunnels or iron bridges constructed at one crossing; but the committee made it general and provided that there should be no crossings on the highways at grade in any particular; and left the establishment of the grade as well as the location of the line to the discretion of the Interior Department.

Mr. BRETZ. Will the gentleman allow me to ask him a question?

Mr. GRESHAM. Certainly.

Mr. BRETZ. I did not distinctly hear the reading of the bill, but if I understood it correctly I think it gives these parties five acres of ground?

Mr. GRESHAM. It gives them the use of that ground on the top of the mountain.

Mr. BRETZ. What for?

Mr. GRESHAM. For a public park, for hotels and observatories, all of which is to be done at the expense of these people.

Mr. BRETZ. By what authority is this railroad company authorized to order the construction of anything in the way of hotels or parks?

Mr. GRESHAM. This grant is to individuals, not to an existing company, but to these parties for the purpose indicated.

Mr. WILSON of Washington. If the gentleman will pardon me, I do not know that I have any special opposition to the measure, but I wish to say, if I may be heard for a moment, taking for granted, and I do of course, that every statement the gentleman has made is absolutely accurate, yet I think there seems to be creeping into this House a practice of reporting bills without the accompanying reports, or that information which the House is entitled to receive from the committee. I think that practice is a bad one and ought not to prevail. I think these committees should present their reports with every bill, and before the bill is called up that the report should be in possession of the House. I think the House ought to have them for information.

We have plenty of time. Now, this morning we had two or three bills reported for consideration here without the reports attached, which the House ought to have, as has been the uniform practice, embodying information from the committee or from the Departments as to the measure proposed; and it seems to me, with all due respect to my friend from Texas, that the practice which has been creeping in here to-day is establishing a very bad precedent.

Mr. GRESHAM. I do not see how a report could be more explicit than the bill itself, as to its terms.

Mr. RAY. Do I understand that the Interior Department has recommended the grant of this particular right of way?

Mr. GRESHAM. Yes, sir; that is what I understand from their letter; and I will say further, that a bill was passed in the last Congress upon a similar recommendation.

Mr. RAY. Then you must have in your possession or somewhere in the files of the committee this particular recommendation or letter.

Mr. GRESHAM. We have, but it is rather indistinct. Evidently the gentleman who prepared it knew nothing about the construction of railroads.

Mr. RAY. It seems to me that we ought to have that communication before us.

Now, I do not want to stand in the way for a single moment of a proposition to grant the right of way in this case, if it is proper to be done, and the Interior Department, knowing the facts about it, recommends it. I will not do it. But it is a strange thing if there is such a recommendation that the committee did not report it to the House. I ask the gentleman, therefore, that the committee report that communication in order that we may have the information we ought to have, and if proper I certainly will not stand in the way, and I am sure gentlemen on this side will not.

Mr. GRESHAM. The gentleman simply wants that letter read?

Mr. COOMBS. We ought to have the report.

Mr. GRESHAM. The report does not contain the letter or anything but the favorable report on this bill.

Mr. RAY. Has this particular bill been referred to the Interior Department?

Mr. GRESHAM. No, sir. The bill originally introduced was referred to the Department, which returned it with certain modifications. These were all adopted, and power conferred on the Interior Department which enlarged very much its own recommendation. The bill he suggested designated a certain line on which the road should be constructed. The committee yielded to that suggestion, but left the location of the line to his own determination hereafter.

Mr. RAY. Whose determination?

Mr. GRESHAM. The determination of the Interior Department, because we had neither a survey nor a profile of it, and it was impossible to state what the grades might be or where the

line should run until there was an actual survey, so we gave him power beyond what was asked for originally in his recommendation.

Mr. RAY. Do I understand the gentleman to say that this bill does not prescribe or point out the particular line?

Mr. GRESHAM. Certainly, sir; for the reason that the proposed line commences at the foot of West Mountain and climbs the mountain to the top; and exactly how that is to be done can not be known accurately until there has been a survey and profile establishing the alignments and the grade.

Mr. RAY. Let me ask the gentleman another question.

Mr. GRESHAM. Certainly.

Mr. RAY. What particular haste is there in regard to this bill?

Mr. GRESHAM. I do not know that there is any, except that this is a measure that was passed by the last House.

Mr. RAY. Then why are you not willing to hold it back and refer this bill to the Interior Department? If they recommend it, I am quite sure that gentlemen on this side of the House would not oppose it.

Mr. GRESHAM. It is just simply the delay, and the difficulty of ever reaching it.

Mr. RAY. It can be called up in any morning hour.

Mr. BRETZ. I understood the gentleman to say that these hotels that were to be built on the 5 acres of ground at the top of the mountain were to be built at the expense of the Government.

Mr. GRESHAM. No; at the expense of the parties who get this franchise. Before they can be constructed, the plans and specifications are to be submitted to and approved by the Interior Department.

Mr. RAY. It seems to me, Mr. Chairman, that any party desiring to build a railroad over this reservation ought to come to this House with the profile of the proposed road, that it ought to be submitted to this House, so that the members of this House can exercise some independent judgment in the matter.

Mr. GRESHAM. How many of them could tell from the profile, when they get it, whether the road was properly located or whether the grades were proper or not?

Mr. RAY. It is perhaps immaterial how many; but at least every member of this House ought to have the right to exercise the judgment that he has, and to look into the matter and be satisfied in regard to its propriety. You do not know where this road would go, over what part of the reservation it would go. You do not know what other right it may interfere with.

Mr. GRESHAM. Oh, yes, we do.

Mr. RAY. It may cover some mines or interfere with some timber lands, or something of that kind. We know nothing about it.

Mr. GRESHAM. Yes, we know that it commences at the foot of the mountain and runs to the top of it, and we know also that if there are any great mines to be discovered, or anything else of that kind, that the Government can at its pleasure revoke the grant that it is now proposed to convey by this bill, at any time.

Mr. RAY. The trouble is, it seems to me, that there ought to be a profile of this proposed route, that any man who wants the right to go over this land should know first where he wants to go, and, in the second place, that he should procure to be made and presented to Congress a profile of the proposed route, showing where it is located, and how much land will be taken; and then this House could judge with some sort of correctness whether it was proper or not that the right be granted.

Until that is done I want to say to my friend that I should feel disposed to stand in the way of the passage of this bill.

Mr. GRESHAM. I will say in regard to that, that if the line has to be located and the estimates made out for every railroad before the bill is passed, railroad companies would build very few miles of road that required Congressional action.

Mr. RAY. I would not care for the estimate, but gentlemen want to know where the proposed line is to be constructed, and what interests it might conflict with.

Mr. GRESHAM. Sometimes, before a route is finally located, as many as twenty lines will be run up and around a mountain, and the final route will only be determined after a full estimate as to which is the cheapest and the best route. That will have to be approved, in this case, by the Secretary of the Interior, before any work can be commenced.

Mr. RAY. Then, in effect, this House is asked to authorize these gentlemen to build a railroad anywhere upon this reservation?

Mr. GRESHAM. No, sir.

Mr. RAY. And then after they select a particular line they propose to submit it to the Secretary of the Interior, and if he says "go ahead" it will be all right.

Mr. GRESHAM. No, sir.

Mr. RAY. In other words, we in effect submit the whole mat-

ter to the Secretary of the Interior to say whether a proposed route shall be occupied by the railroad or not.

Mr. GRESHAM. No, sir.

Mr. RAY. And Congress in that event would yield all jurisdiction over the matter to the Secretary of the Interior—

Mr. GRESHAM. No, sir; that is not the case in this bill. The termini are fixed, and the road to be built between the two termini is the thing that is left in the discretion of the Interior Department.

Mr. RAY. Well, then, the proposition is you fix the two ends of the road.

Mr. GRESHAM. Yes.

Mr. RAY. And the promoters of this enterprise may go anywhere on this reservation, round and round it, and over it and over it, and you leave it to the Secretary of the Interior to approve that. The Secretary of the Interior will leave it to some clerk in the Department to look into; so that this Congress surrenders its entire jurisdiction and discretion in the matter possibly and probably to some clerk in the Interior Department. Now, I submit to the gentleman, do you think that that is at all proper or wise? Do you think that this Congress ought to submit to any such thing as that?

Mr. GRESHAM. Yes.

The CHAIRMAN. The hour has expired, and the committee will rise.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. OATES, from the Committee of the Whole, reported that that committee had had under consideration the bill H. R. 4243, and had come to no resolution thereon.

The SPEAKER. The morning hour has expired.

#### LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. WHEELER of Alabama, for four days, on account of important business.

#### ORDER OF BUSINESS.

The SPEAKER. The Clerk will report the special order.

The Clerk read as follows:

A bill (H. R. 139) to establish a uniform system of bankruptcy throughout the United States.

#### BANKRUPTCY BILL.

Mr. OATES. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill the title of which has just been read.

The motion was agreed to.

The House accordingly resolved itself into Committee of the Whole, Mr. OUTHWAITE in the chair.

The CHAIRMAN. The House is in Committee of the Whole for the consideration of a bill the title of which the Clerk will now report.

The title was again read.

The CHAIRMAN. The gentleman from Louisiana.

Mr. BOATNER. Mr. Chairman, it might be supposed that a measure such as the one now before the House, one proposing to deal with a purely business question, one having no political or sectional lines, would receive from this House a careful, a calm, and a dispassionate consideration. One would suppose, however, from reading some of the remarks which have been delivered in the consideration of this question, that an infamous conspiracy had been entered into to deprive a large number of American people of their constitutional rights and privileges.

One would suppose that the bill struck at the firesides and that the hearthstones of a large number of our constituents, and that the gentlemen who framed the bill, who introduced the bill, who reported the bill, and those who advocate it are entirely indifferent to the sufferings of their distressed constituents, and are willing tools in the hands of heartless Shylocks, to betray, to oppress, and to outrage the people whom they have come here sworn to represent.

I challenge, Mr. Chairman, the consideration of this bill by any fair-minded man for one single atom of foundation for the violent charges and assertions which have been made against it.

I find, sir, in the remarks of the gentleman from Alabama [Mr. DENSON], delivered a few days ago, some violent diatribes and charges against the bill. He claims that it will despoil his former constituents of their homes, that it is "an infamous thing," and in general he exhausts the vocabulary of denunciation in declaring this bill ought not to receive the support of this House. When you come to analyze his speech, Mr. Chairman, you find that the first great fault which he discovers is in the definition of insolvency. The next is that if a merchant does not meet his commercial paper in thirty days, and remains suspended for that length of time, that he is subject to the provisions of the act. The third is that national banks are not sub-

ject to the provisions of the act. The fourth is that the fees of counsel and the employes to look after the estate in the bankrupt courts are to be paid out of the funds of the bankrupt surrendered to the trustee.

The fifth provision to which he objects is that relating to homestead exemptions, and his sixth point is that the farmers are substantially subjected to the provisions of this bill because they owe the merchants, and if the merchants are thrown into bankruptcy the farmers may be compelled to pay their debts. These points, Mr. Speaker, taken out of the gentleman's speech, constitute the sole basis for the charge which he has made against the bill as an infamous conspiracy concocted by one class of American citizens to rob and despoil another class.

Let us look at the definition of "insolvency." The definition in the bill is that a man is insolvent when his property, at a fair valuation, is not sufficient to pay his debts; a definition of insolvency known to the civil law ever since there was a civil law, a definition differing from the definition of the common law, in that the common law declares that a man is insolvent when he fails to pay his debts, while the civil law holds that he is insolvent only when his property is not sufficient to pay his debts. Now, how is a man's insolvency to be determined under any system of laws? Is he to say himself whether he is insolvent or not? Is any particular individual to say so? Is the judge to say so? And whoever is to say so, must he not have some rules for his guidance, some rules by which to determine the fact in a legal sense?

Then, what fairer rule can be found than that his insolvency or his solvency shall be ascertained by a fair valuation of his property, and that the verdict, the result, shall be pronounced by a fair and impartial jury who have heard the evidence in the case? Is it to be presumed that, simply because a man has been proceeded against in bankruptcy, the judge at once becomes a tyrant, at once becomes incompetent and dishonest, that the jury is to be packed against the victim, that the jurors will not consider the testimony, that witnesses will commit perjury to injure him, that the court will not decide according to the law and the justice of the case?

Mr. Speaker, if that is a fair deduction, if any such deduction can be drawn in this case, then we ought to abolish all trials and all courts, because, whenever a man is brought before a court, upon any ground whatever, he is to be regarded as a victim, everything is against him, and he can not get justice in the tribunals of the land. To my mind, sir, that objection is absolutely absurd, with all due respect to the gentleman from Alabama. No man ought to be put into bankruptcy unless he is insolvent, and you can find no fairer means of testing a man's solvency than that which is proposed in this bill, to ascertain whether his property is sufficient, on a fair valuation, to pay his debts.

But the gentleman asks what is a fair valuation? It is a fair valuation; that is what it is. It does not mean what his property will sell for under the hammer; it does not mean what his property will sell for on ten years' credit. It does not mean what his property would sell for without proper effort to effect a sale.

It means just what it says, a fair valuation. It means that the appraisers and the witnesses who come before the jury shall be asked about their knowledge of the property, and about their judgment as to what is a fair valuation of it under existing conditions.

Mr. RAY. If the gentleman will permit me to interrupt him for a moment, I do not want to enter into any controversy at all, but I want to ask him whether he is arguing that every man ought to be put into bankruptcy, or that the law ought to permit every man to be put into bankruptcy, simply because he is insolvent.

Mr. BOATNER. By no means, and this bill does not so contemplate.

Mr. RAY. I knew that; but I desired to bring it out clearly.

Mr. BOATNER. This bill only provides that whenever certain other conditions named in it concur, and when in addition, the man is insolvent, then he may be put into bankruptcy. Of course if every man who is insolvent were to be thrown into bankruptcy we would have a collapse in commercial circles in the United States.

Mr. RAY. I asked the question simply because I thought the gentleman was giving the impression to the House that this bill did permit the throwing of every man into bankruptcy simply because he was insolvent.

Mr. BOATNER. If anything I was saying was producing any such impression I am very thankful to the gentleman from New York for correcting it, because I had no such idea in my mind.

Mr. DENSON. I will ask the gentleman when is this fair valuation to be determined?

Mr. BOATNER. The fair valuation is to be determined at the trial.

Mr. DENSON. At the trial; and yet you say in your bill that if the man, being insolvent, fails to pay his commercial paper within thirty days he may be hurled into bankruptcy.

Mr. BOATNER. "Hurled" is a very good word. [Laughter.]

Mr. DENSON. Mr. Chairman, the very terms and the very reason of the bill itself show that the insolvency must be determined by the debtor himself within thirty days. I understand the gentleman from Louisiana to say now that he may determine that fair valuation in ten years?

Mr. BOATNER. Well, certainly, I either did not express what I intended to say, or else the gentleman from Alabama misunderstood me very widely.

Mr. DENSON. Perhaps I misunderstood the gentleman, but that fair valuation has got to be determined by the debtor himself, because he has to act upon the idea of insolvency before there has been any judicial determination of the fact. That being true, the debtor has got to determine it. Has got to determine it, and when? Within that thirty days, and every day within that thirty days.

Mr. BOATNER. If the gentleman has concluded his remarks I will resume mine. [Laughter.]

Mr. DENSON. I thank the gentleman for the time he has granted me.

Mr. BOATNER. What I said was that a fair valuation meant a fair valuation. I know no simpler word in the language than the word "fair." It is an original word, belonging to the language, and it has been in use so long that its meaning is well understood by the common people as well as by the courts.

Mr. DENSON rose.

Mr. BOATNER. I decline to yield just at this moment. What I said was (and the gentleman from Alabama will not misunderstand me now if he did before) that this bill means that the property shall be valued fairly. It does not mean that the property shall be estimated by what it would bring under the auctioneer's hammer, or by what it would bring if sold for cash without the benefit of an appraisal, or by what it could be sold for on ten years' credit. The intention is that the court shall ascertain what is a fair valuation of the property under existing conditions, upon information to be obtained from witnesses who are acquainted with the property and know its value.

Mr. DENSON. Will my friend from Louisiana yield for a statement and for a question in the nature of a statement—short and succinct, I think?

Mr. BOATNER. I will yield for a question, not for a speech.

Mr. DENSON. What is to regulate this "fair valuation"—the condition of the money market, the demand for that particular kind of property, and the means at command for purchasing it? By the express terms of this bill must not the debtor himself, within thirty days from the time he fails to meet his commercial paper, determine this valuation?

Mr. OATES. The gentleman will permit me to say that no question arises on the exempt property until the adjudication in bankruptcy is made.

Mr. DENSON. I understand that; my friend from Alabama [Mr. OATES] certainly states that matter properly. But the question I am talking about is the principle of putting a man into bankruptcy on that ground. Whether he has property worth a million dollars or property worth only a few hundred, the question is how is the value to be determined? It must be determined within those thirty days. We have adopted, it seems, the gold standard, and the value of this property would have to be determined by the gold standard when there is to-day an insufficiency of gold in the land. And if a man can not pay his debts in gold his property is to be sold under this bankruptcy proceeding. You put him upon a gold basis—the most excruciating machine of oppression ever conceived by the mind of man.

Mr. BOATNER. The gentleman evidently desires to open up a question which has, for the present, I think, been settled. I have had all to say upon it that I desire to say at this time.

Mr. DENSON rose.

Mr. BOATNER. I beg the gentleman's pardon. If he desires to make another speech on the question, I will yield him the floor; otherwise, I must beg him to allow me to proceed with my remarks.

Mr. DENSON. I had no wish to interrupt the gentleman.

Mr. BOATNER. I have not the slightest objection to being interrupted by a question, but I do not want my argument broken in upon so that the gentleman will occupy the position of delivering a speech and I that of an auditor. I have read the gentleman's speech with a great deal of pleasure, and hope we may have the pleasure of hearing from him again on the same subject. But I desire to say a little myself about this question.

Mr. DENSON. On a gold basis?

Mr. BOATNER. On any basis you see fit to put it on. I supposed that my friend from Alabama would understand that

the condition of the bankrupt is tested by his position at the time the act of bankruptcy occurs.

Mr. DENSON. And the valuation is to be made then, too.

Mr. BOATNER. I do not know that the bill so expresses it; but it is so clear a legal principle that it would be implied. A man is proceeded against in bankruptcy; the allegation is that he has committed an act of bankruptcy; the time when the act is committed must be alleged; and the condition of insolvency as a concomitant circumstance and necessary cause must be alleged along with it.

If the paper of a merchant goes to protest to-day and remains protested for thirty days, his condition at the end of thirty days, financially and otherwise, determines whether he is subject to a proceeding in bankruptcy. If he is insolvent on that day, he would, under the provisions of this bill, be adjudged a bankrupt; if not insolvent on that day he would not be adjudged a bankrupt; and in ascertaining whether he is solvent or insolvent the fact would be determined by a fair valuation of his property and a comparison of its value with the amount of the debts proved.

Mr. DENSON. The inevitable consequence of the gentleman's argument is that this "fair valuation" must be the cash valuation within those thirty days during which the act of bankruptcy is committed.

Mr. BOATNER. The gentleman is at liberty to draw any conclusion he pleases from my argument; but I must protest against being interrupted in this way and having a speech interjected into my remarks under the guise of asking me a question.

Mr. DENSON rose.

Mr. BOATNER. I decline to yield to the gentleman just now. I have not the slightest objection to his asking me any question pertinent to the bill; but I must insist that I can not engage in a discussion with him about the merits or demerits of this question.

I have already, Mr. Chairman, explicitly stated that in my judgment the meaning of the language is not the cash value of the property, but the fair value of the property; not the price that the property would bring under extraordinary conditions, but the value that it would produce in the ordinary course of business. If merchandise, it would be the value at which such merchandise in such condition would ordinarily sell for.

Mr. DENSON. What is the standard of value?

Mr. BOATNER (continuing). If it be the stock of a wholesale dealer, then the value would be what that stock would bring at ordinary wholesale prices; if it be a retail dealer, then what the merchandise would bring at retail prices, taking into consideration the age of the goods and the period of the sale and all the conditions and circumstances surrounding the case. If it be real estate it would be what the real estate would sell for at the ordinary market value of such property, partly cash and partly credit.

I therefore despair, after having read carefully the speech of the gentleman from Alabama, who has been interrupting me, I utterly despair of making the slightest impression on his mind or inducing him to understand any of the provisions of the bill from the standpoint of the ordinary construction of fairness and reason. For his remarks indicate that this bill is to him like a red flag to an ordinarily mad bull; it inflames his passions and resentments and stirs him up to sentiments which induce him to say that under no circumstances would he have anything to do with the infamous thing, as he chooses to call it. I am merely trying now in my own way to expose the utter fallacy of his premises and his conclusions.

To proceed. A merchant must pay his commercial paper in thirty days. Now, the gentleman from Alabama does not express any great concern about the merchant, but he shows where the shoe pinches somewhat, because he tells us if you put the merchant into insolvency the merchant holds the waived notes, judgments, and mortgages upon property of his farmer constituency, and they would all be brought under the jurisdiction of the Federal court by this process of law. How are they to be brought under the machinery of this law, I would ask?

The fact that the note or the debt that they owe falls into the hands of the assignee does not give the United States court jurisdiction of the suit on the claim or the notes they own. These must be enforced in the courts in Alabama, where your farmers have the benefit of the State laws and the exemption laws, and where they can not be any more oppressed by the assignee than by the merchant himself. So that argument falls flat, that the bill carries any hardship on the farming interest of the country.

It seems to me, Mr. Chairman, that the championship of the farmers by some of the gentlemen upon this floor is purely gratuitous and unnecessary. So far as I know the farmers of the United States pay their debts. In my own district I know it to be a fact that it is the rarest thing that any one has a claim for collection

against a farmer. They are generally the best paying of the debtor class. It is a certain class of merchants who do not pay their debts, not the farmer; and the farmers do not ask any one to claim for them exemption from liability on their contracts and immunity from laws enacted for the benefit of all.

The gentleman from Alabama found tremendous fault with the bill because national banks are not subjected to the involuntary provisions of the bill. Is the gentleman ignorant of the fact that the settlement of the affairs and the liquidation of the national banks is provided by the law of the United States, and which authorizes the most summary process for that purpose?

Mr. DENSON. I made no objection about national banks not being included in the bill.

Mr. BOATNER. Well, the gentleman, if he did not make objection on that score, certainly had a great deal to say about it. He spoke at considerable length on the subject, and referred to the fact that the national banks had practically suspended payment; that they had refused to pay the checks of their customers against deposits; and the gentleman from Texas [Mr. CULBERSON] suggested that the national banks by this process could lock up the money of their customers and force them into bankruptcy because they could not obtain money to pay their debts. The gentleman certainly is aware of the fact that under the law any national bank which fails or refuses to cash at once a single check drawn by any one of its depositors is subject to instant suspension, and to be placed in the hands of a receiver.

Mr. McMILLIN. And to have its doors closed.

Mr. BOATNER (continuing). Yes, to adopt the most summary measures; put it in the hands of a receiver and close the doors. They have not done this because they know the banks were justified by the public sentiment and the emergency of the situation in doing as they did.

In the interest of conservatism, in the interest of prevention of the enormous damage which would have occurred from the policy of allowing the banks to be entirely depleted of their deposits, this system was sanctioned by the Comptroller of the Currency, I believe, of justifying national banks in refusing to pay checks to an unlimited extent.

Mr. McMILLIN. Any one creditor, however, notwithstanding the action of the Comptroller, could close a bank for failure to pay his checks.

Mr. BOATNER. Of course any one creditor who saw fit could have invoked the most rigorous measures against any bank that refused to pay his checks, and the fact that that was not done is the strongest proof that they all felt it was in the public interest that the banks should pursue the course they did pursue; and it was because the liquidation of national banks, the supervision of them and the settlement of their affairs in the event of failure, are so fully and amply provided for by the general laws, that they were excepted from the provisions of this act; and I supposed no one knew that any better than the gentlemen who have assailed the bill, indirectly it may be, because of the fact that national banks are not included in its provisions.

Now, the gentleman finds that the fees of the lawyers who are employed to liquidate and conduct the business of a bankrupt estate in court are to be paid out of the assets of the estate. That is, that creditors are required to pay their lawyer with their own money.

Gentlemen seem to forget the fact that when a man is a bankrupt, when his property has been surrendered to his trustee or assignee, that property then becomes the property of the creditors and that they alone are interested in it. His very adjudication in bankruptcy is a declaration of his insolvency, is a declaration that his property is insufficient to pay his debts, and when the law provides that the fees of counsel employed to liquidate the affairs of the bankrupt estate shall be paid out of the proceeds of the property, it merely provides that the creditors shall, pro rata, contribute to the necessary expenses of the liquidation of an estate in which they are interested.

Now, the gentleman's next object of attack is the provision relative to homestead exemption; and he undertakes to make a legal quibble over the language of the act, undertakes to make it appear that a man might be adjudicated a bankrupt in one State whose domicile was in another, and that by the law declaring that the exemptions, recognized by the laws of the State where the adjudication was made, shall be respected, he not having any exemptions there, would be defrauded of his exemptions in his own State.

It is a sufficient answer to that to state that the member having this bill in charge [Mr. OATES] immediately replied that if any such construction could be put upon the law—and by no fair rule of interpretation could such construction be put upon it—he was ready to accept an amendment which would most completely recognize the homestead exemption of the party in the State of his residence.



And I can say to gentlemen who attack the bill upon that ground that we would be just as far from advocating any measure which would imperil the exemptions and homestead laws of the several States as they themselves would be; and if there is anything in this bill which, by any sort of construction, can be held to mean what the gentleman from Alabama [Mr. DENSON] says it does, we are ready to accept an amendment which will remedy that.

Now, Mr. Chairman, stripped of all verbiage, taking away all questions of sentiment and of passion, striking out all vituperation and epithets, what is this bill?

It is a simple proposition that those who find themselves incumbered with debts more than they can pay, may come into court and surrender what property they have, and be exonerated from their debts.

Secondly, that all those who are insolvent and who have committed acts fraudulent or quasi-fraudulent, are liable to be proceeded against in the ordinary method, and after a fair trial before an impartial jury, and to be adjudged bankrupts.

Those are the main objects of the law. The first one is purely humanitarian. It is in the interest of the debtor class. It is also in the interest of the public, because it will enable men whose energies are cramped by a load of debt which they are unable to discharge to again embark in business and add their quota to general prosperity.

The second object is to protect the mercantile interests of the country against the fraudulent failures, the collusive suits, and the schemes which are being continually concocted by dishonest debtors to defraud their creditors. That is what it is; and it is astonishing, sir, that so many champions should arise here for men, all of whom, under the terms of this law, are dishonest; because I say that no honest man can be hurt under any of the most stringent provisions of the law; and if there is any provision of this law under which an honest man can be injured, whether he is solvent or insolvent, further than that his property may be subjected to the payment of his debts, I would like some opponent of the bill to rise in his place and point it out to me.

Mr. BAILEY. Did not the gentleman from Louisiana [Mr. BOATNER] introduce a bill omitting several of the grounds which this bill contains?

Mr. BOATNER. I did.

Mr. BAILEY. Then why did you omit them? and by omitting them did you not admit that they are objectionable?

Mr. BOATNER. I omitted them because I considered that they were unnecessary. I consider them unnecessary now, and shall move to amend the bill in those particulars; but that does not take away anything from the force of the assertions which I made just now, and which the gentleman from Texas does not contradict, that there is no provision in this bill under which any possible penalty could be visited upon an honest man.

Mr. BAILEY. I submit to the gentleman from Louisiana that a perfectly honest man may make a perfectly honest assignment, and yet, under the provisions of this bill, he could be made a bankrupt. Do you deny that?

Mr. BOATNER. I do not deny that.

Mr. BAILEY. Could not he do that and be honest?

Mr. BOATNER. That is he might be adjudged a bankrupt, on his own application, or that of his creditors under certain circumstances.

Mr. BAILEY. But you say he could not be made a bankrupt under this bill.

Mr. BOATNER. I did not say that.

Mr. BAILEY. Then I misunderstood the gentleman.

Mr. BOATNER. I said he could not be made subject to any penalties of this bill. It does not strike at any honest man, whether he be solvent or insolvent.

Mr. BAILEY. I did not say it could be made a crime under this bill.

Mr. BOATNER. If an honest man has made a full surrender of his property, and if he has complied with that provision of the law which requires that he shall faithfully deliver up his property, furnish a list of his creditors and debtors, then he is done. There are no pains and penalties in the law for him. He is relieved, his debts are discharged. It is the man who has committed what the gentleman from Texas can not deny is a crime or a quasi crime who is subject to the penalties of the law, and who finds himself within its clutches.

Mr. BAILEY. If the gentleman will permit me, as he has referred to me, and challenged me to produce that portion of the law, I say if a man makes an assignment with a preference, under this bill, that while he can not be prosecuted under this bill as a criminal, yet he is put under its penalties. It has been held in every court where the case has been submitted that a man may make a preference in assignment, and still for doing that he is denied his discharge.

Mr. BOATNER. Will the gentleman show me wherein, under this bill, a man may be prosecuted as a criminal for making a preference that he is permitted to make under the laws of the State?

Mr. BAILEY. Yes, sir; I will.

Mr. BOATNER. I will be very much obliged to the gentleman.

Mr. BAILEY (reading):

Given a preference as herein defined, under an assignment for the benefit of creditors or otherwise which has not been surrendered to the trustee.

Mr. BOATNER. Where is that?

Mr. BAILEY. You will find that on page 15, subdivision 2.

Mr. BOATNER. The gentleman does not suppose that is a penalty?

Mr. OATES. It is a cause of bankruptcy.

Mr. BAILEY. For this he is refused his discharge. Is that not a penalty and punishment?

Mr. BOATNER. Please call my attention to the place where you find that again.

Mr. BAILEY. It is on page 15, and it is on line 15.

Mr. BOATNER. You are referring to that part of the bill that refers to the discharge of the bankrupt?

Mr. BAILEY. Yes, sir. In other words, you can make him a bankrupt for having done a thing and then refuse him a discharge.

Mr. BOATNER. You refer to line 24.

Mr. BAILEY. No; I refer to the second subdivision, on line 15.

Mr. BOATNER. On page 15, line 22.

Mr. BAILEY. No; page 15, line 15, subdivision 2. It gives the offenses for which he shall not be discharged, and begins:

Committed an offense punishable by imprisonment or fine, as herein provided.

And then beginning on line 15, page 15, with (2) it proceeds as I have instanced a moment ago.

Mr. BOATNER. It states give preference "as herein defined."

Mr. BAILEY. And the preference is not defined.

Mr. BOATNER. I do not find it. In reference to that it is sufficient to say that the section to which the gentleman calls my attention refers to an unlawful and fraudulent preference, which is a quasi offense, and which no honest man can make.

Mr. BAILEY. Not merely a fraudulent preference; any preference. A preference may be entirely lawful under the laws of the State yet it is covered by this provision.

Mr. BOATNER. I do not find at this moment the definition of "preference" in the bill. It says "as herein defined," but I do not find the definition.

Mr. BAILEY. "Preference," as defined in the bill is the common law definition. In other words, preference there means any preference.

Mr. BOATNER. I will come back to that point later, but I say now that that is no penalty, because it leaves the man in exactly the same condition that he would be left in by the laws of his State. His property is subjected to the payment of his debts, and he is still held liable for the balance, if any. He is left in exactly the condition of any constituent of the gentleman from Texas whose property is seized and sold to satisfy a judgment for more than the property brings.

Mr. BAILEY. The gentleman declared that there was no penalty, no punishment provided in this bill, and I was simply contradicting that statement.

Mr. OATES. Let me suggest to the gentleman from Louisiana that wherever the bill speaks of a preference, there can be no penalty in law attached to that preference unless it is a fraudulent one. Every lawyer ought to know that.

Mr. BAILEY. I beg the gentleman's pardon. Many of the States declare any preference unlawful, while at the common law a debtor could prefer any creditor.

Mr. OATES. Can the gentleman find any court that will punish a man for making a preference unless it is fraudulent?

Mr. BAILEY. I undertake to say that no court in this Union, unless there be a special statute, can punish a man for making even a fraudulent preference.

Mr. OATES. Well, this bill, when it refers to "preference," means a fraudulent one and nothing else.

Mr. BAILEY. The gentleman from Alabama [Mr. OATES] does not help the gentleman from Louisiana much. [Laughter.]

Mr. OATES. Certainly. If there is no definition in the bill of what it means by "preference," then the word takes its common law signification.

Mr. BAILEY. Why don't you say "fraudulent" if you do not intend to cover them all?

Mr. OATES. The law says it.

Mr. BAILEY. The law does not say it; and the gentleman

from Alabama will not stand up here and affirm before a body composed largely of lawyers that every preference is fraudulent.

Mr. OATES. I did not say that. I said that no preference, unless it was fraudulent, would be punished by the criminal law, and I reassert that proposition. Does the gentleman assert the contrary?

Mr. BAILEY. Certainly not; but even a fraudulent preference is not punishable at common law.

Mr. OATES. The question arose in this way. The gentleman said that by this bill a preference was dealt with criminally, but that the word "preference" was not defined in the bill. I remarked that if it was not defined in the bill, then it must bear its ordinary legal interpretation, and that to make a preference punishable by law it must be fraudulent.

Mr. BAILEY. The gentleman from Alabama [Mr. OATES] was otherwise occupied at the time, and the point of my criticism escaped him. I beg the pardon of the gentleman from Louisiana [Mr. BOATNER] for interrupting him, but he invited it.

Mr. BOATNER. Of course I did, and I think the gentleman has utterly failed to show any provision of this bill which can be construed as a penalty, or even as a disadvantage in the nature of a penalty, upon any honest man.

Now, sir, I do not apprehend that we can by any law of the United States put a man at a disadvantage for the commission of any act which is lawful by the laws of his State. I suppose it is lawful by the laws of Texas to give a preference to a creditor. If a man has made an assignment or a preference under the law of Texas, that assignment must stand; what was lawful at the date of its commission can not be made unlawful by the subsequent act of anybody whatever. Therefore, by the pure force of reasoning the provision of this bill to which the gentleman calls attention must refer to that class of preferences which ought to be denounced by the laws of the State as unlawful or otherwise fraudulent.

For example, the law of Louisiana allows a man to mortgage his property whenever he chooses, but it also declares that any mortgage which is executed within four months of his failure shall be deemed to be fraudulent. By the mere fact of its being executed within four months of his failure that mortgage is deemed fraudulent and it carries no lien with it. So the bill declares that all preferences which are made within four months of the proceeding in bankruptcy, if the debtor making them shall be insolvent at the time, shall be deemed fraudulent and shall be set aside, and that is the class of preferences referred to in the provision to which the gentleman calls attention.

Mr. HAINES of Nebraska. If the gentleman from Louisiana will permit me, I wish to suggest, that under the Constitution of the United States Congress may pass a uniform bankruptcy law, and wherever that law conflicted with the State law the State law would necessarily give way.

Mr. BOATNER. Yes; the State law would necessarily give way, but I do not consider that we could by a bankruptcy law abrogate the laws of the State which relate to the ordinary contracts between citizens of the State, or between citizens of that State and of any other State. Congress may, in adopting a bankrupt law, deal with the question of insolvency in all its aspects, and any laws of the State dealing with the same subject are abrogated or suspended during the existence of that law.

Mr. KILGORE. Will the gentleman allow a question?

Mr. BOATNER. With pleasure.

Mr. KILGORE. As I understand the gentleman, when a man goes into bankruptcy under the proceeding here contemplated, any mortgage executed or lien acquired within the preceding four months becomes null and void. Now, suppose that within the period of four months, immediately prior to the bankruptcy proceeding, a mortgage has been executed, judgment obtained, execution levied, the property sold, money collected and paid, the whole transaction completed, how would this bill affect that sort of a transaction? Would it not be entirely unsettled? Would not the whole proceeding under that mortgage or lien have to be commenced anew?

Mr. BOATNER. The gentleman states an extreme case; I should consider it *prima facie* fraudulent, collusive, and out of the ordinary course of business. If an unlawful preference, under the terms of the bill it would be avoided; otherwise not. I find in section 60 the definition given by this bill to "preference," upon which the gentleman from Texas laid such stress a while ago. The language is this:

A person shall be deemed to have given a preference if, being insolvent or in contemplation of insolvency or bankruptcy, he has procured or suffered a judgment to be entered against himself in favor of any person, or made a transfer of any of his property with intent to (1) defeat the operation of this act; or (2) enable any one of his creditors to obtain a greater percentage of his debt than any other of such creditors of the same class.

In other words, in contemplation of insolvency, in contemplation of his failure, the debtor suffers this thing to be done; and such

conduct the gentleman from Texas seems to consider that of an honest man.

Mr. BAILEY. Does the gentleman deny it?

Mr. BOATNER. The gentleman will allow me to say that his ideas on that subject may be very different from mine, because I was bred under the civil law which declares that the property of the debtor is the common pledge of his creditors, and that any disposition made of it by him, when in a condition of insolvency, to their prejudice, giving one creditor advantage over another (of course this does not refer to liens, mortgages, or preferences given at a time when the debtor was not in a state of insolvency), is a fraud and may be avoided by the mere fact of insolvency. The gentleman's ideas in view of the code of laws under which he was raised may differ materially from mine on a question of that kind, I having been brought up, as I have stated, under the civil law.

Mr. BAILEY. The gentleman's explanation is satisfactory to me, although I say to him, he having been "bred under the civil law," that I once saw a distinction drawn between the civil and the common law; the common law being defined as "the perfection of common sense," and the civil law as "the perfection of nonsense." I do not undertake, however, to say that that definition was an accurate one. But the gentleman from Louisiana will not deny (because he is too good a lawyer in the civil law not to have a knowledge of the common law) that the definition of a preference as given in this bill is precisely the common law definition, because any man in making an assignment to a creditor prefers that that creditor shall enjoy a dividend from his estate greater than other creditors.

Mr. BOATNER. But the preference must be made in contemplation of bankruptcy.

Mr. BAILEY. Well, people never make an assignment except in contemplation of insolvency.

Mr. BOATNER. The gentleman's views of what would be the duty of an honest man under those circumstances differ so radically from mine that we can not reach an agreement. I consider that when an insolvent debtor, in view of his failure, in view of his bankruptcy, undertakes to convey his property to one debtor or one class of debtors to the prejudice of other debtors who have equal right to be paid, who have equal claims upon his property, he commits a dishonest act, an act which ought to be reprobated, an act which ought to be prevented by a law of the United States which proposes to regulate commercial transactions of this sort in the commerce between States.

Mr. BAILEY. If the gentleman from Louisiana will permit me to put an instance, I am perfectly sure his sense of justice will respond to my view of the case. He says that all debtors ought to be equally paid. Now, suppose the gentleman is indebted to a widow who has placed in his hands every dollar that she possessed in the world; suppose at the same time he is indebted to a rich man who could afford to lose the debt without the least inconvenience. Now, suppose the gentleman could not pay both those creditors, would he not prefer to pay the widow and let the rich man wait?

Mr. BOATNER. I might do so.

Mr. BAILEY. Yet, under this bill, in doing so you would commit an act of bankruptcy.

Mr. BOATNER. I challenge the gentleman to show it. The bill does not so declare.

Mr. BAILEY. Let me finish my statement.

Mr. BOATNER. I am replying to the gentleman. The bill says that if he does that in contemplation of bankruptcy he can not get a discharge from that rich man's claim—

Mr. BAILEY. But wait until I have finished my statement.

Mr. BOATNER. But as to making the act a penal offense or visiting upon the debtor any other penalty than holding him still liable for that debt, there is no provision in the bill tending to have that effect.

Mr. BAILEY. It is easy to answer a man by interrupting him when he is only halfway through—when he is in the middle of a statement. I contend that when a man does the act which I have described, you under this bill permit the rich man to drag him into court, to make him a bankrupt against his will, and, after having made him a bankrupt, you refuse him a discharge, and compel the widow to return her payment to the court and divide it with the rich man.

Mr. BOATNER. Now, if the gentleman from Texas will kindly permit an interruption. [Laughter.]

Mr. BAILEY. The gentleman knows that he invited this himself. I sat here and did not interrupt by a word until he himself invited it.

Mr. BOATNER. I believe the law of Texas, which is largely borrowed from the civil law, although it is but the perfection of "nonsense"—

Mr. BAILEY (interrupting). We have improved it very much since we adopted it.

Mr. BOATNER (continuing). Probably. I believe under the law of Texas a man who owes debts may be sued. In other words, he may be dragged into court, and there he may be arraigned before a judge and jury, and, from the standpoint of some gentlemen, he may be harshly and mercilessly treated, and all of that in the interest of the creditor. If the debt is proved the complainant may obtain judgment, and when he gets his judgment he may take out a writ of *fi. fa.* and seize anything that the Texas debtor has that is not covered by the legal exemptions and sell it under the sheriff's hammer and apply the proceeds to his debt, as far as it will go, and if it does not cover the whole of it he can hold the balance of the debt not paid by the proceeds of the property over the head of the debtor.

Now, that is the terrible condition of the Texas laws, and so, also, that is the condition of several other States in the Union. Let us see how that compares and comports with this "outrageous piece of legislation" we have now under consideration. Why, the Texas debtor owes a rich man, my colleague from Texas for instance, and at the same time he owes a debt to a poor widow, and makes a preference in behalf of the widow and pays her, and he does that knowing the result, but he takes the consequences. In the first place, let me say, he has got no business to be largely in debt to a poor widow; but whatever it is, he pays the debt and takes the chances. He has got a perfect right to pay her. He knows that and he does. What is the penalty? The rich man, the heartless creditor, instead of proceeding under the laws of Texas, prefers to take proceedings in the bankruptcy court, and has the debtor adjudged to be a bankrupt and takes all of his property except what he is entitled to under the legal exemptions, sells the property, applies the proceeds to the debt, and holds the balance on his Texas debtor who has an exemption, which, as I understand the law of the State, covers everything that can be put on a 200-acre lot. Where is the penalty? He is placed in precisely the same position that your Texas law places him.

Mr. BAILEY. But the amount paid to the widow may be taken into consideration. Proceedings may be had to recover that.

Mr. BOATNER. The widow is not in it, so to speak. No; she has got her money and gone, and your Texas debtor is in exactly the same condition that he would be in if his debt had been collected through the ordinary machinery of the county court.

Now, to proceed, Mr. Chairman. I will call the attention of the committee particularly to the argument made by my distinguished friend from Texas [Mr. KILGORE] on yesterday, upon the provision of this bill that authorizes the revocation of a discharge that has been procured by perjury or fraud. That seems to be a startling innovation to the gentleman from Texas, that a judicial decree obtained by fraud or perjury should be subject to revision or to be revoked. I believe this is a new feature in bankruptcy legislation, but I take it to be a wise and a beneficial feature. It takes away the incentive to fraud and the inducement to perjury, because the bankrupt who goes into the court and obtains his discharge by such means as that, feels all the time that it is subject to review and that he may be deprived of the fruits of his crime. But the gentleman from Texas was so unreasonably opposed to the law that he overlooked the provision which restricts the right to sue for the revocation of a discharge to those who have an interest in the question, and who have not been guilty of undue laches.

Mr. KILGORE. The gentleman must know that that is not a fair statement.

Mr. BOATNER (continuing). He contended that it was not necessary for a man to be a creditor to have interest in the proceedings in order to enable him to go into the court and allege that the decree granting the discharge of the bankrupt was obtained through perjury or fraud and obtain its revocation. And, Mr. Chairman, the section of the bill immediately below the one the gentleman commented upon plainly and in express terms restricted the right to a creditor, a party having a lawful interest to protect.

Mr. KILGORE. I submit to my friend from Louisiana that that is a very unfair statement. I made the statement the gentleman says I made, but corrected it immediately. I recurred to the paragraph and corrected it instantly, and read the section to which he refers making the correction in the presence of the committee. Now, for him to say I insisted that that was the ground of my opposition is unfair and unreasonable.

Mr. BOATNER. I certainly do not undertake to say that that was the sole ground of the gentleman's opposition.

Mr. KILGORE. The question I wish to put to the gentleman is this: I did not suppose that any gentleman would reiterate a statement made here in mistake—

Mr. BOATNER. If the gentleman from Texas will indulge me for a moment. When we had the debate on the bill on yesterday I inquired, while the gentleman was discussing it, and

when he made the assertion I have referred to, whether there was any provision in the bill which required that the application should be by a party in interest.

Mr. KILGORE. And I responded at once—

Mr. BOATNER. Let me go on. The gentleman said "No." "Well," said I, "is not the gentleman aware of the universal rule of law, which restricts the bringing of suits to those who have some interest in their prosecution?" and the gentleman replied, "Well that may be the general rule of law, but this bill seems to supersede all the rules of law upon this question."

It was after that that the gentleman ascertained that the provision was in the bill to which I have called his attention; but if the gentleman thinks that the reference to it is unfair, I am perfectly willing to withdraw it; because I certainly have no disposition to do any injustice to the gentleman from Texas.

Mr. KILGORE. The gentleman himself disclosed his own ignorance of his own bill by not being able to call my attention to the fact that it was provided that somebody in interest should make this motion; and as soon as my attention was called to it, that some party in interest must make this motion, I read the section and made the correction, and took back all the misstatements that I have made about it, in the presence of this House.

Now, the question I propose to submit to my friend this morning, in connection with this discussion, is this: I say that on a motion by any man who may feel that he is justified in making the motion, the man who has been discharged from bankruptcy can be put back into bankruptcy after he has been out twenty-three months and twenty-five days; and if there is no ground for it, and if he is acquitted on that trial, yet he is put back into the bankruptcy court and broken up again, though he may be acquitted.

But that is not the main proposition. The most obnoxious feature in it is that he can be convicted of having secured his discharge by fraud, if the proof shows that he committed perjury, or that anybody in his behalf committed perjury in the original proceedings. That is the most obnoxious feature in the whole transaction, and the gentleman seems inclined to dodge that part of it.

Mr. BOATNER. Well, Mr. Chairman, the gentleman from Texas [Mr. KILGORE], I observe, has withheld his remarks of yesterday from the RECORD, and he will therefore have an opportunity to modify his views upon this obnoxious paragraph; but the point which he now makes was fully answered yesterday in the questions propounded to him while he occupied the floor.

The gentleman admitted that he did not think a discharge which was procured by fraud or perjury ought to stand. I asked the gentleman that question. I said: "Do you think that a discharge that confessedly has been obtained by fraud or perjury ought to stand?" He said he did not think it ought. So that ought to settle the question, so far as he is concerned. The bill does not propose to revoke a discharge on any other ground.

Now, a quibble was attempted to be made on the fact that the law says where a discharge has been obtained by fraud or perjury of a party, or any witness in his behalf; that if any witness had sworn falsely without the connivance, or consent, or knowledge of the bankrupt, yet that that would be a ground for setting aside his discharge.

Not so at all. This law is to be construed and enforced by enlightened judges, acquainted with the rules of law. The gentleman knows that if he makes a motion for a new trial on the ground that perjury has been committed on the former trial, he must not only allege the commission of the perjury, but he must also allege and show that the perjury related to a material matter at issue, and that without that perjury the verdict or judgment would not have been given, and that with that perjury eliminated from the record the judgment ought to be otherwise.

So in this case, if a witness is put upon the stand by the bankrupt, who swears falsely to an immaterial matter, to a matter which would not affect a discharge, which would not affect the judgment and decree of the court, why, the discharge would stand; but, if it was with respect to a matter visceral to the issue, if it was with respect to a matter without which the judge would not have granted the discharge and the creditors would not have consented to it, does the gentleman, from his seat in this body, say that that discharge ought to stand? I believe that as a man and a Representative he certainly will not say so.

But what is the effect of it? It merely puts the man back into bankruptcy. The referee or trustee, or whatever he is called, takes possession of the property. The bankrupt is required to take out a schedule of the property he has, which is subject first to the payment of the debts which he has bona fide contracted since the discharge, and the balance, whatever it may be, is applied to the payment of his other debts. Is there any wrong in that? Is there any reason why a man should reap the fruits of his own perjury or his own fraud? Shall we frame laws here which

will hold out an inducement to men to commit fraud, and say to them, "If you can successfully perpetrate a fraud upon the courts, you shall go scot free, and you shall have the fruit of your fraud, and it will not be in the power of the court to take that away from you?"

I think, Mr. Speaker, that the gentleman from Texas in his calmer moments would not maintain such a proposition before this House.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BAILEY. I ask that the gentleman be permitted to conclude his remarks.

There was no objection.

Mr. BOATNER. Now, Mr. Chairman, in conclusion I want to say that to the best of my judgment, and according to the judgment of my constituents—and I believe I am as careful of the interests of my constituents as the average member; I believe I am as regardful of my duty as a member as the average member—according to the best of my light I think this bill, with certain amendments, which will be suggested hereafter, and which I think and believe the committee will accept, it is a wise and beneficent measure.

I wish to say of the much-maligned bankruptcy law of 1867, that it came to the country where I live as a white-winged messenger of peace; that it prevented many a family from being thrown into the road and into the street. It released many a man, aye, thousands of them, from a burden of debt which they never could have paid. It took away from the country an incubus of antebellum indebtedness which was crushing it into the earth, and enabled the people to go forward to a period of comparative prosperity.

It may have been unfairly administered, and I think, perhaps, it was; and it did not sufficiently guard the interests of the creditor in the property which was surrendered by bankrupt debtors; that it allowed too much discretion to the judge and the officers; but so far as debtor was concerned, who went into the court and said, "Take what I have and turn me loose," it was a great blessing. I say it was the greatest boon that has befallen the State which I have the honor to represent in part since the war; and at this time, when the people are staggering under a load of debts which have accumulated in the last three or four years of depression, brought about by the low price of their products, to authorize all of those who are more heavily loaded than they can bear, whether merchants or farmers, to go into court and make an honest and fair surrender of the property and take a fresh start, would be beneficent to them and conducive to the public welfare. I do not think the gentleman from Texas, or any other gentleman, can have any reasonable objection to such a law.

It is impossible that the law can operate any hardship upon the farming class, because they are not subject to the involuntary features of it. This property, in most instances, consists of real estate and things of permanent value. They are easily accessible by the ordinary processes of law. Their creditors are local creditors who will wait and extend time to them, and there is no necessity that they should be subject to the involuntary clause of the act. It will be a boon to many a man who has for years been struggling under a load of debt, more than he could carry, and will enable him to avail himself of its beneficent provisions and to say to his creditors, "Take what I have and give me a release."

Then with respect to the merchant, whom gentlemen have been so vigorously championing. So far as I have heard, either by the public press, by petition or memorial, no opposition has been shown as coming from them against this bill, except the great traders who are in the habit of colluding with fraudulent debtors and defrauding other creditors. Here I want to touch upon a question which has, to some extent, come under my personal observation. It frequently occurs that when a wealthy house finds that one of its customers is getting into financial trouble it arranges to attach his stock of goods.

It is all understood beforehand. The attachment is to run, the big house buys the property, and the other creditors get nothing. The big house is paid, and all the balance of the debtor's creditors get nothing except experience and the pleasure of paying the cost and expense of their vain effort to recover a modicum of what is due. It is from that class of houses, which, by their ability and willingness to assist the fraudulent debtor with the means to consummate his plans and resume business in another name that opposition to this bill arises—I do not mean in this House, but from the outside—because I say, sir, that they are the only class of the mercantile community against which this bill will operate injuriously.

The ordinary merchant, the fair dealer, will be benefited by it. Because the merchants all over the country know if it becomes a law that the benefit of a collusion in attachment can not be obtained. If a writ of attachment should be sued out it would

be easy to avoid the effects of any collusion or fraud between the parties, by instituting proceedings in bankruptcy. If it appeared that the debtor had committed an act which would justify an attachment, the same evidence would sustain the proceeding in bankruptcy and the property of the debtor, administered for the benefit of all creditors.

Then, sir, it not only takes away the incentive from the creditor who would "run" a collusive attachment by depriving him of the advantage which would follow from it, but it also prevents any creditor from taking an attachment unnecessarily or without due consideration and deliberation, because the immediate effect would be to put his debtor into bankruptcy. So that in neither case would the creditor derive benefit from an unnecessary proceeding.

Again, it offers the means to every debtor who has got into insolvent circumstances and is unable to meet his paper, to go into court with a proposition for a composition. He may file his application to be adjudged a bankrupt, and, at a meeting of his creditors he may offer a composition which, if the majority of the creditors in number and amount accept, the court must or ought to accept, and the business is closed. It takes away the power and ability of one recalcitrant creditor to take from the debtor the benefit of the law by demanding more than his share, because it puts all the creditors on an equality, brings them together and affords the means of affecting a fair, equitable, lawful settlement of the affairs of the bankrupt.

Taking it all around, therefore, considering it in every possible aspect, I do not see how it can be held to be an engine of oppression, because it proposes nothing except the most ordinary procedure of law under proper safeguards. It can hurt no one, because it guards every one's rights. It proposes to strike at no man unless he has been doing business in a way that is not recognized by law and is at least quasi criminal. The commercial people of this country want it, and the agricultural people, so far as I know, at least are not opposed to it. I have never heard a word of opposition to it except on the floor of this House.

Why, sir, there is a book almost as thick as the one I hold in my hand filled with commendations of this law in its main provisions and with demands by the press of this country, from Maine to California, for the passage of a bankrupt law. There seems to be a universal demand all over the country, in all circles, for the enactment of a fair, just, and uniform bankrupt law, and, yielding to that universal demand, and my judgment being that this bill, with some amendments, may be made to meet substantially the demands of the country, I consider it my duty as a Representative to give it my support. [Applause.]

Mr. BAILEY. The gentleman said sometime ago, in relation to a certain case which I put to him of a widow woman and a rich creditor, that under the law of Texas everything could be done that this bill proposes, and he declared that the only effect of giving a preference to the widow would be to leave him still subject to the demands of the rich man. I beg him to inspect on page 51 of this bill the paragraph beginning with line 10 and ending with line 16, which provides that if I give any preference that preference is voidable by the trustee, and he may recover the property from the person to whom it is given. Therefore if I were to give a preference to the widow under this bill not only could the rich creditor put me into the bankrupt court, but my trustee could then sue the widow and compel her to bring that property into court to be divided with the rich man.

Mr. BOATNER. Just reverse the case. Suppose you had given the preference to the rich man and had "stood off" the widow [laughter]. how would you want the law to be then?

Mr. BAILEY. We always prefer the widows. [Laughter.]

Mr. BOATNER. I did not think the gentleman from Texas would argue that we ought to make legislation here with reference to widows and rich people and poor people. In the eye of the law they stand on the same level. I have no doubt that the gallantry of the gentleman from Texas would in all cases induce him to settle with the widow and probably to pay her more than he owed her [laughter]; but all debtors are not so gallant as the gentleman from Texas, and a case might arise in which a debtor would prefer the rich and powerful creditor. The debtor might be more likely to "stand off" the widow (to use a slang expression of the day) and to "stand in" with the rich creditor, and I think that from the gentleman's point of view this is a very wise provision which would compel the rich creditor to disgorge what he had improperly received and divide it with the poor widow. [Laughter.]

Mr. KYLE. Mr. Chairman, I am opposed to this bill, and I propose to proceed in my way to give some of the reasons why I oppose it. I do not think, however, that is made necessary by the arguments which have been made in favor of the bill, to make a speech against it. And by this remark, sir, I do not mean to intimate that the gentlemen who have spoken in support of it are not able, ordinarily, to bring to bear upon any sub-

ject they discuss as much ability and as much force as any other gentlemen in this House. I mean to convey this idea, that the bill itself is so entirely indefensible that it is impossible for those gentlemen, with all their capacity to present any reasonable excuse for its passage. [Laughter.]

What is proposed by this measure, sir? What is the purpose of it? What is the controlling idea of this bill which is proposed to be enacted into law? Who is demanding the passage of such a law as this? All of these are questions that properly enter into the consideration of a measure of this kind. If there was a necessity for the passage of such a law as this we would certainly hear an expression to that effect from some section of this great country.

In whose interest, I ask, Mr. Chairman, is this measure proposed? It is necessarily a commercial measure. The idea of a bankrupt law never originated among any other class of people than persons engaged in trade. The first bankrupt laws of which we have any account had no application to any other class of people than traders. They grew up among trade people exclusively and were enacted for their benefit.

In the days when the idea of a law of this kind originated there appears to have been as little consideration as in some sections of the country there appears to be to-day for the plain people at large. The object of a law of this kind was to benefit the commercial classes, and if there is any class of people to-day who are to be benefited by the enactment of the bill now before us it is the commercial classes, the wholesale merchants. Mr. Chairman, I represent on this floor an intelligent constituency; and I never heard the subject of an involuntary bankruptcy law discussed among them. But when I came here to Congress one of the first things brought to my attention was that this country was demanding the passage of a bankrupt law. When gentlemen came to talk to me on the subject I said to them, "I never heard this subject of involuntary bankruptcy mentioned in my district."

Now, why is it that a law of this kind is wanted? If it is wanted at all it is desired by the wholesale or city merchants. Why is it that the wholesale merchants of the country ask for it? Mr. Chairman, we might as well be candid and frank about this matter. My answer to that question is, they want it to help them to secure the collection of their debts against the country merchants. If this is not true, it is incumbent upon gentlemen advocating this bill on this floor to stand up here and deny that proposition, and demonstrate that it is not true. I say it is true. Now, I want to put this question to members of the House: Is the Congress of the United States going to lend itself to this measure because this class of people come and demand it after it has been demonstrated by three failures of a law of this kind that the people of the country at large do not want such an enactment?

I submit that if there is anything to be drawn from the history of this country upon the subject of bankruptcy legislation, it is that the people of the country as a mass do not want a law of this character. What reason have I for making this declaration? The best reason in the world. The people have tried a measure of this kind three times, and each time they have repudiated it. In my judgment when they set the seal of condemnation upon the last bankrupt law that existed in this country, they struck down a better measure than the one now proposed. One more humane, more generous, and more just. And I ask you, if the people of the country would not have a measure of that kind, are you going to put this upon them?

Mr. Chairman, I have not time to review all the provisions of this bill; but I wish to call attention to some of them to show their harshness, their injustice to the class of people whom I represent. The gentleman from Louisiana [Mr. BOATNER] argued that the agricultural people of this country can not be affected by this bill.

Mr. BOATNER. Can not be injuriously affected.

Mr. KYLE. "Injuriously affected." Let us accept the gentleman's proposition. The presumption is that he made his argument most favorable to his side of the question. Now, let us take his proposition, that this bill can not be used to the injury of the agricultural people of this country. That is the way he puts it now.

Let us see whether that position can be maintained. I say that this bill is in the interests of the wholesale merchants of the country, if in the interest of any class; and I know there is no man who is going to deny that proposition. The gentleman from Louisiana will not deny it, because if he does, he gives his case away. And I apprehend that if we were to strike from this bill the provisions for involuntary bankruptcy it would have no acceptability to the class of people who are now asking its passage. It would be like the play of Hamlet with the Prince of Denmark left out.

Mr. HOPKINS of Illinois. If the gentleman will allow me a single suggestion, I would like to say that the wholesale houses

of this country are not—at least all of them are not—in favor of this bill. The firm of Marshall Field & Co., of Chicago—the largest dry goods house in America—has always opposed this bill.

Mr. KYLE. Mr. Chairman, I will conclude what I was stating, and then I will notice what has just been said by the gentleman from Illinois. The gentleman from Louisiana [Mr. BOATNER] says that the agriculturists can not be injured by this measure. Let us see whether they can or not. Suppose that the merchants who supply some of the country dealers in my part of the country should conclude to invoke the machinery of this bill and put it in operation upon some of the country merchants down in my part of the country, among the men carrying on business in agricultural districts. Gentlemen here know how their business is carried on from year to year. Suppose the gentleman from Louisiana [Mr. BOATNER] is a country merchant dealing with merchants in the city of New Orleans, Memphis, or St. Louis. He obtains credit from them; he supplies the rest of his customers who are farmers engaged in growing cotton, sugar, or other agricultural products, with their supplies through the year. He holds mortgages upon their lands, their homesteads.

In order to create confidence in his mind and make him willing to take the risk of furnishing supplies with which to carry on farming operations, his debtors have mortgaged their estates to him. Suppose a gentleman in this situation has got into such a condition that his property at a cash valuation is not sufficient to pay his debts, and suppose his creditors go and make declaration of that fact before a court of bankruptcy and bring him in and administer his estate under a bankruptcy proceeding. What is the result of it? Can not a man's mind run forward and see how disastrously, how seriously, how ruinously the farmers of this country could be affected by it?

Mr. BOATNER. Will you please state how they can be hurt?

Mr. KYLE. I am going to do so. I will give an illustration. My colleague here is carried into court and his estate is there administered. It may be against his will, as I stated awhile ago, that he is sent there. These claims and these accounts, which he holds or mortgages, whatever they are, goes into the hands of the assignee, or trustee, as he is called in this bill, and beyond his control, into the hands of the man who has no interest in the agricultural community whatever. What is the consequence of that proceeding? The trustee can not grant any indulgence, as the bankrupt could have done if he had been permitted to go on with his business. The creditor is the only man that he has to consider. He has got the debtor to the bankrupt at a disadvantage. There is nothing for him to do but to foreclose the mortgage, sell the property to the highest bidder, whatever may be the condition of affairs at the time, and, may be, practically confiscate the estate. While, on the other hand, if this man had been permitted to own and control the mortgages and apply the proceeds to the payment of his own debts, there would have been relief to all parties, and the estate might have more than paid its obligations. That is the way it will hurt the farmer.

What is there in this bill that is for the benefit in anyway of the farming community? If there is anything let some gentleman who favors it and who has the ingenuity to demonstrate the fact that it exists, in his speech show it. It can not be done.

Mr. BOATNER. If the gentleman will permit me—

Mr. KYLE. Please wait until I get through—

Mr. BOATNER. I do not wish to interrupt the gentleman without his consent, but I understood him to ask a question.

Mr. KYLE. I will give you some time if you want to reply to it afterwards. I do not want to be interrupted now.

Now, sir, I wish to call attention to this second ground as fixed by this bill for establishing an act of bankruptcy against an individual—the second ground for this summary proceeding. It is not like an ordinary proceeding in court where the party comes in and files his declaration, and the defendant comes in and has his day. This is a summary proceeding like an attachment, only worse than an attachment. But I want to call your attention to the second ground fixed in the bill for issuing proceedings in bankruptcy:

Failed for thirty days while insolvent to secure the release of any property levied upon under process of law for \$500 or over, or if such property is to be sold under such process then until three days before the time fixed for such sale and until a petition is filed.

Now, let us see how that operates. Suppose the debtor, my colleague here, should conclude that I was insolvent, that he had taken a sort of mental inventory of my estate as things exist, and concluded that I was insolvent, and as a matter of fact, owing to the depressed condition of the country just now, my property may not sell for enough to pay all of my debts, he goes into court on that statement and says "this gentleman owes me this money and can not pay it. His property is insufficient in value to pay his debts," and institutes proceedings in bankruptcy against me.

Why, if you put the property of the people of my district on the block to-day to be sold out, I doubt whether you could sell it for money at all or not, because we have not got the money there. And yet under this bill, if he permits his debts to go unpaid while insolvent—and the definition of insolvency in this bill is being in a condition when his property would not bring enough if sold to pay the debt—if he can not pay, or rather if the property will not pay his debts, under such circumstances he is to be forced into bankruptcy.

Mr. STOCKDALE. And this may be done in the summer season.

Mr. KYLE. Yes, in the summer season, or at any other time during the last few years, because at one season would have brought about as much distress as at another. I ask if Congress is to pass such a measure as this in the condition we are now in, being confronted with the present situation? And mind you, there is no other legal provision given in the bill, except that which would necessarily be provided by the decree, a cash sale. That is the only way the property is to be sold, according to the terms of the bill. When the court enters a decree and makes an order for the sale of the property it must be for cash. No other kind of an order could be made.

But that is not all, sir. I can not pay my respects to all of this remarkable bill; but I call attention as I pass to these provisions that naturally strike me as being the most flagrant and uncalled for and as the most oppressive and onerous. Another ground of bankruptcy is that debtor has—

Made an assignment for the benefit of his creditors or filed in court a written statement admitting his inability to pay his debts.

Suppose he made an assignment. Suppose he has turned and distributed his property fairly and equitably and justly under the insolvent laws of the State; has given every man his prorata share of his effects; that he has dealt them out fairly and honestly; yet under this bill he can be put into bankruptcy. That is the meaning of it, and there can be no other. Suppose he has filed a written statement admitting his inability to pay; he is brought into the bankruptcy court, although this transaction occurred six months prior to the time when the proceedings were instituted, and at the time of the proceedings he may be perfectly solvent.

I know gentlemen put a different interpretation on it; but when you come to consider this act you must take the act itself, and not the opinions of gentlemen who are discussing it.

Made while insolvent a transfer of any of his property.

Suppose at any time within six months prior to instituting proceedings for bankruptcy, my friend here being a merchant, he should sell any of his property, and it could be proven that at any moment within the six months his property could not have been sold at a cash sale for enough to pay his debts—no matter how advantageous the trade might have been to him or his business, he is liable to be put into bankruptcy under this bill.

Mind you the words "while insolvent," according to the dictionary attached to this bill, and which fixes the legal meaning of the word "insolvent," mean that whenever his property—no matter from what causes—sinks in value below a point at which it would bring enough at a cash sale to pay his debts, then he is liable to be put into bankruptcy.

Made while insolvent a transfer of any of his property, or suffered any of it to be taken or levied upon by process of law or otherwise, for the purpose of giving a preference.

Now, Mr. Chairman, here is another idea connected with this bill that I want to speak of briefly. In the State of Mississippi it is admissible for a man to make an assignment and give a preference to some creditor whose claim is regarded of a higher character. I have not examined the statutes of other States, but I presume that in many of them the law is as humane as ours.

There is a recognized difference in the moral obligation for the payment of debts. Illustrations have been given here; and I submit to you, gentlemen, that there are cases in which, so far as my judgment, my ideas of right and justice and fairness and humanity are concerned, an honest, insolvent debtor may be justified in making a preference to some of his creditors. If that was not true statutes of that sort would not be found upon the statute books of nearly all the States of the Union.

Mr. OATES. Will the gentleman allow me a question right there?

Mr. KYLE. Yes.

Mr. OATES. If preferences are allowed by law, while there are some cases as you say where sentiment would dictate the making of a preference, does it not open the door very wide to fraud, and are not very many more preferences made from other motives than those of mere humanity?

Mr. KYLE. It is possible that the gentleman is right in his conclusions, but it is unreasonable to condemn a custom which

seems so universally acceptable among the people of the States because some one now and then must act rascally.

Now, will the gentleman from Alabama let me put this question to him: Does not the State of Alabama permit preferences?

Mr. OATES. It does not, I am glad to say.

Mr. KYLE. I did not know whether it did or not. My State does, and I submit that in the passage of this bill you strike down from Mississippi, and I think most of the States in the Union, the right to regulate these matters in their own way. I thought the State of Alabama permitted preferences, too.

Mr. COBB of Alabama. Let me ask my colleague [Mr. OATES] if he is correct in that statement.

Mr. OATES. Yes; I think I am.

Mr. COBB of Alabama. Preferences are upheld in the courts. It is true that under certain circumstances the giving of a preference might warrant the beginning of proceedings—

Mr. OATES. If you give one creditor a preference over another for the payment of an existing debt, it may be declared a general assignment.

Mr. COBB of Alabama. But for that purpose only. That is the only point to which I wish to call the attention of my friend.

Mr. OATES. It may be held to be a general assignment, and therefore it is not sustained by the law.

Mr. COBB of Alabama. It is sustained except where other creditors take advantage of it for the purpose of certain legal proceedings under the statute.

Mr. OATES. The statute declares it to be a general assignment if anybody asks it to be made so.

Mr. KYLE. I think the discussion between the gentlemen from Alabama [Mr. OATES and Mr. COBB] has substantially established the fact that there is some sort of a preference recognized there.

Mr. OATES. There is no penal statute against making a preference, but the statute declares that if a preference is made, other creditors may ask that it be considered a general assignment, and the court can so declare it.

Mr. COBB of Alabama. That is all. That is the only purpose to which I wish to call attention. The preference of a creditor in Alabama will be upheld by the court; but if the preference is given to one creditor over another, it may be made the foundation of proceedings in the court to declare a general assignment.

Mr. OATES. It is made a general assignment.

Mr. COBB of Alabama. Not unless a creditor proceeds to have it made so. If no creditor proceeds, it is legal.

Mr. KYLE. It does not make much difference, so far as this discussion is concerned, whether preferences are allowed in Alabama or not.

Mr. OATES. If a man makes a fraudulent conveyance of his property, and no creditor attacks it, it is likely to stand.

Mr. KYLE. I want to call attention to another provision in this bill, the ninth ground for instituting proceedings in bankruptcy:

(9) Suffered while insolvent an execution for \$500 or over, or a number of executions aggregating such amount, against himself to be returned no property found, unless the amount shown to be due by such executions shall be paid before a petition is filed.

Now, Mr. Chairman, there is no particular or special objection that occurs to me to this section, except that it is fruitful of no result, and I can not see how it could be. This bill goes on to provide that when a party is put into bankruptcy that his exemption under the laws of the State are set aside to him. The exemptions which he is entitled to under the laws of the State from sale under execution are set aside. They are his. They can not be touched by his creditor. Why? Because the statute exempts them from the payment of his debts.

Well, what good are you going to get by putting a man into bankruptcy when an execution *nulla bona* has been returned into court, when the officer has said that this man has no property over and above his exemptions that are subject to his debts? What good can there be of dragging that man away from his home to a court that may be a hundred miles away and put him into bankruptcy? The only thing that can be gotten out of it is an opportunity to intimidate and oppress the debtor in the hope of squeezing something out of him under the law, which he submits to, if he can possibly raise the means, rather than be put into bankruptcy.

Mr. OATES. In reference to the exempt property that you have alluded to, you might further remark, and I will with your permission state, that the title of the owner is not divested by the adjudication of the property which the State law exempts to him. The title remains with him. The only process is to ascertain the value, and whether he has conformed with the State law or not.

Mr. KYLE. That is true; and if the bill provided otherwise it would be nugatory, I think.

Now, Mr. Chairman, I want to call attention to another matter here that strikes me.

Mr. OATES. It is not a very important matter to this description of men; but he has the advantage of the exercise of the bankruptcy power.

Mr. KYLE. Do you think the Federal court could take away from a man the exemptions that are allowed him under the State laws?

Mr. OATES. I would not vote for such a law; but it has been held in bankrupt cases that the bankruptcy law might provide the exemption. Under this bill it is provided that the State law shall prevail; that the exemptions granted by the State law shall be recognized. While I am up, if my friend will allow me, I do not see but what his argument is a perfectly legitimate one on this question in a general discussion; but it seems to me that he must be aware of the fact that when we come to consider the bill under the five minute rule he will have an opportunity and every other member will, and so far as I can go it shall certainly be a very full one, to offer amendments to each and every one of these provisions which they think are objectionable, and test the sense of the House as to whether it is a proper thing or not.

Mr. KYLE. Certainly; I understand that, and I suppose the House understands it. I expect to avail myself of the privilege, when we come to consider the bill under the five-minute rule, of offering some amendments.

Now, I want to call attention to this matter here. It was referred to by the gentleman from Texas [Mr. KILGORE] yesterday. That is, section 14 of this bill. After you have put this machinery to work, and you have ground the poor debtor through the mill, you have made him a bankrupt, when his estate has been destroyed or squandered, when his credit has been ruined, and he has been broken down, left moneyless and friendless, as is generally the case with a man without money; after you have accomplished that sort of result with him, and after he has been at work with what little hope, energy, and ambition left him in the effort to repair his broken fortune, and he may have been successful for only two years, in that two years he may have gained something with which to support his wife and children and sustain them, and sustain hope, what does this bill provide?

Now, Mr. Chairman, in case some creditor who is not satisfied with the result shall happen to learn something which affords some excuse upon which he can predicate his proceedings, he can set aside that discharge from bankruptcy. That is, a creditor who is constantly vigilant in his pursuit of this bankrupt, at last concludes that somebody swore falsely in the proceedings under which the bankruptcy discharge was obtained, and that man can go into court and establish, not that the bankrupt himself swore falsely, but that somebody in connection with the proceedings swore to some facts which were false, and he is thrown into bankruptcy again.

The effect of this bill is to bring the man back to court, to marshal his assets again, and have another distribution among his creditors. I ask you, gentlemen, if you are prepared to vote for that sort of a proposition, and if it is possible that a bill which contains a provision so cruel, so tyrannical, so unjust, can pass this House? Why, sir, the very idea growing out of this provision of the bill destroys all the apparent sympathy that gentlemen have exhibited here when they said that the measure was in the interest of the poor insolvent debtor. You bring him back into court, you marshal his assets, you have a redistribution among his creditors, who are seeking to get his estate into court and to administer upon it before he dies.

I know it was said here yesterday that that view of the case was not correct, but we find here on page 60 this provision, Subdivision "C":

Whenever a composition shall be set aside or a discharge revoked the trustee shall, upon his appointment and qualification, be vested as herein provided with the title to all of the property of the bankrupt as of the date of the filing of the application for the setting aside of the composition or the revoking of the discharge.

It seems, Mr. Chairman, that those who drafted this bill were afraid that there might not be put upon this extraordinary provision a construction which would bring the estate back into court, so over here on page 60, thirty or forty pages away from where this extraordinary provision first occurs, they put this in to make it doubly sure that the man has got to come back to court, and have his estate readministered.

Suppose, now, that upon that reinvestigation his creditors get him back upon a side issue, upon the question as to whether some witness may not have sworn falsely, and readminister his estate, and then turn him loose again and let him go for twenty-three months more, and then discover that in that proceeding some other witness has sworn falsely, and bring him back again, and readminister his estate again, if he has any left by that time,

and so keep him going until, if he ever had any hope or ambition or any of the elements that secure success among men they will be completely destroyed.

The gentleman from Illinois [Mr. HOPKINS] said that the merchants were not demanding this measure. If it is admitted that the wholesale merchants of this country do not want this bill, then we had better go out of court, because there is no one here to represent the plaintiff in these proceedings, and the case should be dismissed for want of prosecution.

Mr. COBB of Alabama. Mr. Chairman, if I may interrupt the gentleman for a moment; here is the statute of Alabama:

Every general assignment made by a debtor by which a preference or priority of payment is given to one or more creditors over the remaining creditors of the grantor shall be and inure to the benefit of the creditors of the grantor equally.

So, it will be seen that in Alabama a man may prefer a creditor at will, but if he attempts to make a general assignment and by that to prefer a creditor then the preference inures to the benefit of all the creditors. So far, then, the broad statement of my colleague [Mr. OATES] is not correct.

Mr. KYLE. Mr. Chairman, when the gentleman from Alabama interrupted me I was saying that if the statement of the gentleman from Illinois is correct, that the merchants do not want this law, then there is nobody here pressing for its passage, and if nobody wants it we certainly ought not to pass it.

Now, sir, there are some conditions upon which I would be willing to vote for a bankrupt bill, and to that consideration I want to devote a few moments before I take my seat. I think that possibly a bankrupt law which provided for voluntary bankruptcy alone might be acceptable. I do not know that there is any necessity for it; I do not know that there is any great demand for it, but I think that sort of a law would be acceptable. Certainly if we are to retain the involuntary provisions of this bill they ought to be guarded more carefully than they are now. This is a summary sort of a proceeding, an extraordinary proceeding in comparison with the ordinary methods in use in the States for the collection of debts, because, as I said awhile ago, a creditor may go into court, file his petition and bring a man in there and administer his estate for the benefit of his creditors, no matter how unwilling the debtor may be.

Now, if this extraordinary remedy is granted to the creditor, certainly some protection ought to be given to the debtor. The creditor ought to be required to execute a bond, and when the proper time comes, I propose to offer an amendment providing that before these proceedings shall be instituted, or contemporaneously with the institution of the proceedings, there shall be filed a bond to indemnify the bankrupt for any injury that he may sustain by reason of the wrongful suing out of these proceedings. It may be said that he gets rid of his indebtedness, and that that is compensation to him. In reply to that suggestion I would say that when you march a man into court under these extraordinary proceedings, you strike down his credit, you strike down his business, you paralyze his interests all along the line.

Mr. STOCKDALE. He does not want to get rid of his debts in that way.

Mr. KYLE. No, he does not want to get rid of his debts in that way. I believe, Mr. Chairman, that most men desire to pay their debts. I look at that proposition in a different way from some of the gentlemen who have discussed this bill. I believe that men generally entertain a desire to discharge their obligations in a fair and manly way.

Again, Mr. Chairman, I believe that this bill, in addition to requiring a bond, ought to provide that the party against whom the proceedings are instituted should be permitted to prove, on the traverse of the allegations set up by the petition, the damages that he has sustained to his business and all necessary expenses incurred. If that is not right, why is it not right? The man who starts out in this bankruptcy business, who invokes this extraordinary proceeding, why ought not he to be willing to come in and say to the debtor: "I will put up my bond and thus put you upon an equality with me."

Remember, Mr. Chairman, there is a time in the history of the creation of the indebtedness when the creditor has the matter all his own way; at the time the debt is created the creditor has the right to say, "No, sir, I will not extend you credit." He has the advantage then. He can keep himself out of the transaction. And certainly when we come to establish rules by which the creditor is to invoke the strong arm of the law, the same relations ought to be kept up, if possible, between debtor and creditor that they originally started with. The bond being filed in court, the defendant should be put upon an equality with the creditor, should be permitted to traverse the allegation and prove his damages. If that were done there would not be so much objection to this involuntary portion of the bill.

I say, Mr. Chairman, if we are to have a bankrupt law at all with an involuntary feature in it, it ought to be hedged about in that way; and when this House comes to act upon this measure, endeavoring to establish rules and regulations which will keep men upon an equality in their business transactions and work out fair and honest results, I believe such provisions as I have suggested will be incorporated in this bill.

Mr. Chairman, there is another reason why I am opposed to an involuntary bankrupt law. It not only, as I have tried to demonstrate, affords to the creditor an opportunity to oppress the debtor who is unable to pay, it enables the creditor to oppress a debtor who in all probability would be able to pay every debt he owes if allowed proper opportunity. I dare say there is not a man listening to me who somewhere along in his experience during life has not seen a time when if his property had been put up and sold it would not have paid his debts at a cash valuation. I appeal to the experience of gentlemen on this floor. Without undertaking to know their condition or history I venture to say that there is not a man listening to me who at some time during his life has not been in such a condition that if his property had been put upon the block to be sold it would not have brought enough to have paid his debts.

Now, my friends, if any of you were in that sort of a situation, and if a bill of this kind were in force, you could be carried to a bankruptcy court and your estate taken away from you and administered without your having an opportunity to work out of your difficulties, pay your debts and get a discharge like an honest man without being embarrassed with the idea that you have been put through a bankruptcy court. And the result would be the same if at any time within six months the filing of proceedings against you should find yourself in such a condition.

I further oppose this bill, Mr. Chairman, because I do not think that any practical good can come to any one from having an involuntary bankrupt law. The estates of insolvent debtors are usually, when administered by a bankrupt court, consumed in expenses. This has been the case so far as my knowledge extends; and I dare say other lawyers here agree with me that this is usually the result. I believe that when you take a man and against his will carry him to a court for the purpose of marshaling there his assets and applying them to the payment of his debts, you ought at least to carry him to a court where he could feel that his creditors, to whom he wants honestly and conscientiously to make payment, would obtain something from his estate.

Now, there are a great many lawyers on this floor; and I want to appeal to the experience they have had in the bankruptcy courts of this country under the administration of the act of 1867. Did you ever know any creditors to get anything out of a man's estate after he had been forced into bankruptcy? I do not see the gentleman from Louisiana [Mr. BOATNER] in his seat; but I have been told that under the act of 1867 they had a court down in his part of the country which administered that law among the people of Louisiana, and in that court no creditor ever got a single cent out of the proceedings at any time. I have heard it stated that the court in the district in which I live made a better showing on that subject than any other court in the Union—distributed a larger dividend among creditors. Yet, speaking from my experience in that court, I can not say that creditors ever received much benefit from it.

I submit, then, that when this bill is stripped of its objectionable and oppressive provisions it offers nothing practical in the way of securing to creditors their indebtedness. And I oppose this measure upon this ground among others. I will say, however, in conclusion that in my opinion the only idea upon which a bankrupt law can be sustained is that it may give to the honest insolvent debtor an opportunity to go into some court and get rid of his liabilities so as to enable him to enter the race of life again with the possibility of better success in the future. I will therefore vote for a properly guarded law which provides for voluntary bankruptcy. [Applause.]

Mr. WARNER. Mr. Chairman, in regard to the matters affected by this bill, the situation appears to be about this: Our country embraces in extent thousands of miles. Our citizens are living under the jurisdiction of forty-four different States. By reason of the development of our systems of transportation and communication, every year the business of each member of our commercial community has become more and more a matter of interstate rather than local commerce or business.

And yet, sir, with that situation before us, we have so inadequately provided legislation with which to meet it that to-day a creditor in any part of the Union has practically no means of insuring to himself a fair distribution of the assets of his debtor, unless in most cases he shall go to extraordinary expense and trouble. And, on the other hand—and this is a much more serious consideration—an honest debtor, an unfortunate business man in any State of our Union, has no way under heaven by

which he can be rid of the incubus of his business misfortune, and must go down to his grave laden by it, except he obtains the mercy of every creditor in all of the States outside of his own.

Now, this is an anomalous situation. It is one which, to the extent that it is suffered here, exists, I believe, in no other civilized country of this world. How did it come about?

One hundred years ago our forefathers in adopting the Constitution of these United States absolutely prohibited the States from dealing with this question; and by the same act they took upon themselves, not by inference, but by express provision of the Federal Constitution, the duty of providing laws for the settlement of bankrupt estates. Such is the situation and such is the duty that the Federal Government has promised to perform. It remains unperformed. There are a few great firms whose wealth is so immense and whose business is so extensive that they can afford to engage, under a permanent retainer, counsel in every part of the country; and it has become notorious that whenever a business man fails in any part of the country, one of these firms is generally found to be a preferred creditor. On the other hand, the great mass of business men, whose prosperity consists in being able to trade in all parts of the country, are forced to adopt the alternative either of closely watching the rumors from every direction, and of rushing in and breaking down any man as to whom they may hear a rumor of insolvency, or, in case they give him the benefit of the doubt, of being subjected to a practical loss of whatever is owing to them from the estate of anybody who is driven into insolvency.

Now, sir, as I have suggested, that is a situation that is absolutely intolerable. It is the result of our neglect of the duty which was assumed by the Federal Government one hundred years ago. It is the performance of that long-neglected duty which is now suggested from the Committee on the Judiciary, which in such respects is, as it ought to be, the leader of this House.

I know, sir, that there are objections to the bill. I have heard it urged as a serious objection that it provides for involuntary as well as voluntary bankruptcy. Mr. Chairman, the duty which our forefathers assumed and which we must perform, unless we wish to violate by omission the Constitution which we have sworn to support, is not a one-sided duty. It did have as one of its aims the discharge of honest debtors who had given up their estates for the benefit of their creditors from the onus of obligations of which they had no hope of being rid of otherwise.

But on the other hand it involved the duty of securing a fair distribution of the estate of a man whose misfortunes in business had left him no interest whatever in the property over which he still held control, and which should be administered for the benefit of those who have beneficial interests in it. In other words, sir, creditors have rights as well as debtors; and it is to the advantage of debtors as well as of creditors that the rights of both should be subserved by any legislation which we are to enact.

It has been objected, sir—and I mention this more to show the character of the objections to the bill than because I believe it is of any need that the question should be discussed at length before this House—that the mere making of an assignment in insolvency is made by this bill an act of bankruptcy. We are asked to consider how unfair it is to brand as an act of bankruptcy the distributing by a debtor of his property equitably under the laws of his State.

Now, so far as concerns property rights, it is not a matter of importance to the debtor who has already put all of his property at the disposal of his creditors. It is not a matter of importance to the creditors if the insolvency proceedings are fair; for they would get just what they would get under the bankruptcy proceedings. But it is a matter of importance to the honest debtor that the proceedings should be carried on under the Federal bankruptcy laws instead of under the local insolvency laws, and this in order that the citizen of States other than his own may have their claims against him forever afterward barred; and so the very point which is seized upon as a basis of criticizing the bill is in fact one of the objects of which is beneficial to the honest debtor.

We are told that former laws proved faulty. So they did. And it has not been suggested but that the reasons for their failure are perfectly well known and can be perfectly well provided against.

For example, take our last bankrupt law. There is no question but that it was beneficent, in securing to thousands upon thousands of distressed but honest men a chance to start anew in life. There is no question but that in hundreds, aye, in thousands of cases, the fact that there was a bankrupt act standing upon the books, with the provisions which it contained, did forestall the whole question of fraud, and prevented attempts to defraud creditors that would otherwise have been made.

It is a fact, however, that the proceedings under that act were so complex that there was some ground for the criticism that



it too often used up the whole estate of the bankrupt in the attempt to see that nobody got more than his fair share of it.

But, sir, this bill has not been criticised from that standpoint. I do not believe it is subject to such criticism. I believe that every one who has read it will agree that, as compared with the last law upon the statute book, in that regard it effects a much-needed reform.

The question, moreover, is not whether we shall pass this law, letter for letter and line for line, as it comes from the committee, but whether it is not our duty here to consider this matter and deal with it in the light of the experience which has been had—in the light of the discussion which we shall be allowed to give to it—and so to frame a bankrupt act that it shall stand as the best expression of this House of the way in which should be performed the duty which has devolved upon us.

I know there have been numerous criticisms made of the details of this act. I will not weary the committee by discussing many of them, most of which have been so ably treated by my colleagues upon this floor in this discussion. I will refer to but one or two of them, one especially as to which I do have some special knowledge.

My colleague from New York [Mr. RAY] called attention to the fact that in clause 5 of section 2, the purchase or sale by a man, when insolvent, of commodities, with intent not to deliver or to receive them, but rather to settle by paying or receiving differences in money, should be an act of insolvency.

Now, I agree with my colleague in his criticism of that clause. Of course, I do not believe that it is good business policy for a man, when he has already lost so much money that the little he yet controls does not belong to him, but to somebody else, to speculate upon it; but the law might just as well provide against that man's betting on horse races. If you are going to work on this principle you might just as well provide against his hiring an expensive box at the opera, or against his playing poker at a big limit, or without any limit at all, as to insert that proviso in the bill.

But, sir, I can not agree that the clause might be improved by striking out the words "when insolvent." If there is one thing that is more undemocratic and more nonsensical than to attempt to stop gambling by law, in the case of a man who has no money of his own, and who is gambling upon somebody's else money, it is to prohibit gambling by law, when a man is using his own money to do it with.

But, Mr. Chairman, whichever way the section stands, or whether it stands or not, it is immaterial to this bill; for I tell you, sir, after somewhat of experience in litigation concerning such matters, that there never will be a case found where the "intent" named in the bill can be so proved that it will subject any man to bankruptcy. Honest men engaged in "future" dealings, which they expect to carry out, are not subject to this provision, and there never was a speculator or a man who tried to dodge the law from whose heart you could wring proof of the "intent" which will make him subject to a bankruptcy act. So, although I believe, as my friend from New York [Mr. RAY] suggests, that this provision should be stricken out, although I believe it to be absurd to amend it, as certain others have suggested; yet, whether it is stricken out or amended, it is comparatively of no importance whatever.

As to other criticisms that have been made upon matters of detail, in a great many cases the good faith of those criticisms has been shown by the presentation of amendments calculated to meet them. In other cases the lack of any suggestion tending to perfect the bill shows, or at least suggests, the animus with which the criticisms are made.

For myself, sir, I have gone carefully over the bill, and I am free to own that in a number of cases, had I drawn it, I should have drawn it differently, and I believe I might have suggested some improvements in certain cases. I have conferred, however, with the author of the bill and the distinguished gentlemen, members of the Committee on the Judiciary, in charge of it; and while not convinced in every case, yet I must confess they have convinced me, as to the majority of the cases, that they know what they are doing better than I do, and that they have framed a bill better than I would be able to do, with my present knowledge. I therefore ask this House to stay by this matter until we shall have performed the duty put upon us by the Constitution, until we have remedied the omission in that regard which has become a source of so much embarrassment to our citizens. If the bill needs perfection by amendment, amend it until it is in the shape that most accords with the common sense and the patriotism of this House.

The pledge that there should be a bankruptcy act, and that the Federal Government would provide for this matter, was made more than one hundred years ago, at a time when our country was a narrow strip along its present eastern border, when the States were thinly populated, and so isolated that interstate commerce

was not a hundredth part of what it is now, at a time when the lack of such a provision, and the need of such legislation in regard to bankruptcy was not one tithe of what it is at present. Every advancing year has made its performance more urgent; and we ask you now to carry out that pledge.

We ask you to pass a bankruptcy act that shall enable honest debtors to be discharged from obligations which they are no longer able to meet; that shall enable considerate creditors to rest in peace without having to take the alternative either of pressing good men into business ruin or allowing their own interests to be sacrificed by the fraud of others. We ask that a bankruptcy act be passed in order that, on the one hand, the hasty greed of the creditor, the overwatchfulness of the man who has trusted another, and on the other the attempt on the part of him who has been trusted to shirk any part of his just obligations shall be alike forestalled by a measure which shall insure equal justice to all.

Mr. BROSIUS. Mr. Chairman, the very forceful address just made to the House by the honorable member from Mississippi [Mr. KYLE] on one side and the equally forceful utterances of my honorable friend from New York [Mr. WARNER] on the other side of this measure, fairly raise the question whether there ought in fact to be any national bankrupt law enacted; whether the principle of such a law is a sound one, and whether the commercial situation of this country requires such a law.

In the observations I shall be able to make I shall neither commend nor condemn the specific provisions of the measure. The examination I have been able to give the bill has been so cursory that I do not feel justified in detaining the House upon a discussion of its details. I desire to make some general observations, and to present as briefly as I can the broad grounds upon which I think the necessity and propriety of a uniform system of bankruptcy in the United States can be supported.

The constituency which I have the honor to represent is, perhaps, in as little need of the benefits of such a law as any equal number of people in the United States; but the most favored sections can not be harmed by the operation of a law of this character, while many sections, perhaps the larger portion of the Union, may derive very material benefits from the operation of the law.

#### PENNSYLVANIA'S ATTITUDE.

If there is any doubt in relation to the attitude of Pennsylvania upon this subject—and it seems there is, unless some of my colleagues from that State have unwittingly misconceived the views of their constituents—I am certain that there is no doubt of the attitude of the body of the people whom I have the honor to represent upon this floor; and I desire briefly to voice those views in favor of a uniform system of bankruptcy in this country. Realizing, as every one does, that a proposition, however sound and entitled to public acceptance, wins its way much more easily into public favor when it enjoys the support and the authority of some great and venerated name, I want to secure that advantage to my propositions by reading a very brief paragraph or two from a very distinguished and eminent judge.

Judge Story some years ago wrote:

One of the most pressing grievances bearing upon commercial, manufacturing, and agricultural interests at the present moment is the total want of a general system of bankruptcy. It is well known that the power has lain dormant, except for a short period, ever since the Constitution was adopted; and the excellent system then put into operation was repealed before it had any fair trial upon grounds generally believed to be wholly beside its merits and from causes more easily understood than deliberately vindicated.

In another paragraph he says:

It can not but be a matter of regret that a power so salutary should have hitherto remained a mere dead letter. It is extraordinary that a commercial nation, spreading its enterprise through the whole world, and possessing such an infinitely varied internal trade, reaching almost to every cottage in the most distant States, should voluntarily surrender up a system which has elsewhere enjoyed such general favor as the best security of creditors against fraud and the best protection of debtors against oppression.

It seems to me, Mr. Chairman, that the contention in favor of a national system of bankruptcy enjoys the unusual felicity of having the support alike of principle, reason, authority, and experience, not even lacking sentiment. The gentleman who describes this bill as a scheme for the extinguishment of the last ray of hope in the breast of despairing debtors, sheds tears that are not due. He misconceives the operation of a bankrupt law and mistakes a blessing for a curse.

#### A BANKRUPT LAW NECESSARY.

A bankrupt law presents three factors with which we are compelled to deal; the debtor, the creditor, and the commercial public in their large and broad interests. The law deals with the situation of a debtor unable to pay his debts, having property inadequate, on division, to liquidate his liabilities. Now, the solution of the problem will be found in the answer to the inquiry: In such a situation what is best, alike for debtor, creditor, and the commercial interests of the community?

## FOR DEBTORS.

I doubt if there will be any dissent from the proposition that the very best thing for an honest debtor who has been for years carrying a load of debt from which he has no hope of extricating himself, and who is borne down, discouraged, and disheartened, is to relieve him of his burden and enable him to stand erect once more and feel that he is regenerated, emancipated from everlasting captivity to his debts. He can take a fresh start in business, he can acquire property, light breaks upon his pathway, hope springs again in his breast, and he sees a future before him. Is there a doubt in any mind that that is the best thing to do for an honest debtor thus situated? But, Mr. Chairman, that blessing can only come from a national bankrupt law. No State can discharge the bankrupt from all his debts. On that point I desire to read a passage from a very eminent statesman of former years. Daniel Webster, in a celebrated speech on the subject of a national bankrupt law in 1840, among other things said:

I am free to confess my leading object to be to relieve those who are at present bankrupts—hopeless bankrupts, and who can not be discharged or set free but by a bankrupt act passed by Congress. I confess that their case forms the great motive of my conduct. It is their case which has created the general cry for the measure. Not that their interest is opposed to the interest of the creditors, still less that it is opposed to the general good of the country. On the contrary, I believe that the interest of the creditor would be greatly benefited even by a system of voluntary bankruptcy, and I am quite confident that the public good would be eminently promoted. In my judgment all interests concur, and it is the duty to provide for these unfortunate insolvents in a manner thus favorable to all interests which I feel urging me forward on this occasion.

Upon the same subject an eminent jurist, writing in the American Law Register of June, 1865, said:

Should the bankrupt act under consideration become a law it will open to the honest bankrupt freedom from his debts and a new lease of mercantile life.

The points aimed to be secured by the present bill are the discharge of the honest debtor upon the surrender of his property, protection of the creditor against the fraudulent practices and reckless conduct of his debtor. Without such a law creditors may be defrauded of their just debts and debtors become castaways upon the broad ocean of commercial life. To vouchsafe such relief in the community is assuredly the paramount duty of legislation. Under this act the debtor and creditor meet upon the common ground of obligation and duty.

Mr. Chairman, how apropos these observations to this measure?

Mr. RAY. I hope my friend does not intend to lay it down as a legal proposition that no State can pass laws to discharge debtors from their debts?

Mr. BROSIUS. I intend to lay down as a legal proposition, which my learned friend, or any other learned lawyer upon this floor will not think it worth while to dispute at the peril of their reputation, that a State can not discharge a debtor from the obligation of his contract, except such contracts as were entered into subsequently to the passage of the law.

Mr. RAY. The State law?

Mr. BROSIUS. Yes, sir; and in no instance can any State discharge any debtor from the obligation of his contract entered into with citizens of another State; thus demonstrating the impossibility of any State enacting an effective bankrupt law.

Mr. RAY. That is all true, but—

Mr. BROSIUS. Well, if that is true let it rest there, because I desire to proceed.

Mr. RAY. That is true, but that is not the statement you first made.

Mr. BROSIUS. I did not intend to make any statement. I simply alluded, in passing, to the inability of a State to pass a bankrupt law. The interruption was hardly justified, if my friend will allow me to say so.

## FOR CREDITORS.

Now, Mr. Chairman, in the second place, what is best for the creditors? I do not hesitate to affirm that the best thing for the creditors is to have an equitable division of the property of the debtor applied to the payment, ratably, of the unsecured indebtedness, under such restrictions as will prevent a race among creditors for judgment and execution. We must not forget that debtors sustain equal relations with creditors and are under equal obligations to them in a large and general way, and the claims of justice are satisfied when whatever property the debtor possesses is divided and apportioned ratably among them according to their respective claims.

I submit, furthermore, that such an apportionment of the debtor's property exerts a very salutary influence upon the commercial community. It promotes credit and confidence everywhere by promoting an increased feeling of security. Mr. Chairman, I was very much impressed by the remarks of my honorable friend from New York [Mr. COOMBS] on yesterday in speaking upon this bill. It was interesting indeed to look into the face of a merchant who had dealt with every people upon the face of the earth and had found them trustworthy. What a fine compliment to the human race! And while the gentleman was

dwelling upon the importance and the necessity of this confidence and credit there came to my mind an incident in the history of Charles James Fox that most strikingly illustrates the point upon which he was speaking.

Mr. Fox had laid down before a creditor a sum of money. The creditor, a merchant, produced his note and said, "Mr. Fox, I want you to pay me my indebtedness out of that money." The English statesman said, "I can not do that, sir; that money must go to pay a debt of honor for which the creditor holds no paper." The merchant was profoundly impressed by that exhibition of honor. He looked at his note for a moment and then tore it to pieces, and flinging them at the feet of the statesman said, "Now, sir, mine is a debt of honor also." Mr. Fox was very sensible of the fine compliment; and he said to the merchant, "Here, sir, take the money, yours is the oldest debt; the other man can wait."

But, Mr. Chairman, it seems to me that a measure of this kind will also promote facilities for sales by supplying facilities for collection. And let me direct attention to another thing it will do: It will dispense in a large measure with the necessity of creditors becoming sleuthhounds, constantly pursuing their harassed debtor lest some one quicker of scent and swifter of foot may get in ahead at the finish. Why, sir, the knowledge that no one or two creditors can get in ahead and sweep away the entire estate, has a very composing and tranquillizing influence upon all. Thus the debtor secures greater indulgence, enjoys better opportunities if he desires them, than when his estate is but the spoil of victory in a race, a stake for which hungry creditors play with the processes of the law for execution.

## THE ACTS OF BANKRUPTCY ARE VOLUNTARY.

Objections have been made to that portion of the bill which defines acts of bankruptcy. While that part of the bill may be subject to amendment, as I think it is, it is pertinent to say that every act of bankruptcy named in the bill is a voluntary act on the part of the debtor, an act which he commits of his own volition, without compulsion; and if he chooses to refrain from the commission of the specified act he is not amenable to the involuntary provisions of the bill. His liability to be brought into court by a petitioning creditor is a matter entirely under his unrestrained control. So long as he obeys the law he enjoys absolute immunity from the compulsory features of the act. It can be nothing more than a voluntary bankrupt law to any debtor who refrains from committing the forbidden acts.

## DISHONEST DEBTORS.

Of course if a debtor is dishonest he ought not to be discharged; no man should profit by his own wrong. If he has undertaken to defraud his creditors or has violated any provisions of the law he ought not to enjoy any advantage therefrom. The law of every State or nation ought to encourage and teach honor and honesty—not put a premium upon rascality or permit immunity from the consequences of fraud or wrongdoing. Thus every man knows what are the rewards of honest dealing; and those who do not perceive that virtue is its own reward will at least appreciate the advantages which the law attaches to integrity in commercial dealing. Thus the reflex influence of such a law will be highly salutary upon the commercial community. It will promote commercial rectitude. It offers a premium for integrity and subjects wrongdoing to burdens and penalties. So that for all classes and from all points of view it is obviously the best way of treating debtors, honest or dishonest, each, however, in their own deserved way.

## HONEST CREDITORS.

It is just, as well as merciful, to honest creditors to protect them against the practices of debtors who, forgetting their equal obligation to their creditors, seek to give all their property to a favored few. This is permitted, perhaps, by the laws of most of the States on the principle that as long as a man has dominion over his property he can use it to pay any debt he pleases.

## THE TIME IS OPPORTUNE.

There is another matter which comes to my mind. It has been said that this particular period, when the country is suffering from business depression and hard times, is inopportune for the application of the principles of a bankrupt law. What a colossal misconception of the relation which a bankrupt law bears to debtor and creditor!

Gentlemen ought to remember, and they doubtless will remember, that the processes of the law are not suspended, relaxed, or intermitted pending a season of hard times. On the contrary, creditors are more vigilant, more alert, and oftentimes more merciful in such seasons than at any other time. Their distrust, their anxiety, their fear of loss, their apprehension lest some other creditor may get in ahead of them in the race, whets their appetite, accelerates their movements, greatly to the distress of the unhappy debtor.

Of all the times and conditions of the country the existing situation is most seasonable for this relief. We ought to yield to

the solicitations of the prevailing distress, when sheriffs are said to be reaping harvests and debtors are crushed beneath the heels of racing and contending creditors, and temper the misfortunes of the time with the humane and helpful provisions of a bankrupt law. No circumstances could be more opportune, no situation more inviting. Thousands of honest debtors who for years have been sweating under their burdens now under the added stress of the prevailing depression feel that they are without hope unless some helping hand reaches out of the darkness to succor and save. What they need, what they pray for is a law that will lift their load and give them another chance to retrieve their fortunes and achieve prosperity and happiness. In this connection I can not refrain from quoting the words of Daniel Webster, in the Senate of the United States in 1840, when pleading for the passage of a bankrupt law. The urgency was not as great then as now. These are his persuasive words:

Mr. President, let us atone for the omissions of the past by a prompt and efficient discharge of present duty. The demand for this measure is not partial or local. It comes to us earnest and loud from all classes and all quarters. The time is come when we must answer it to our own consciences if we suffer longer delay or postponement. High hopes, high duties, and high responsibilities concentrate themselves on this measure and on this moment. With a power to pass a bankrupt law which no other Legislature in the country possesses, with a power of giving relief to many, doing injustice to none, I again ask every man who hears me if he can content himself without an honest attempt to exercise that power?

We may think it would be better to leave the power with the States; but it was not left with the States; they have it not, and we can not give it to them. It is in our hands, to be exercised by us, or to be forever useless and lifeless. Under these circumstances does not every man's heart tell him that he has a duty to discharge? If the final vote shall be given this day, and if that vote shall leave thousands of their fellow-citizens and their families in hopeless and helpless distress, to everlasting subjection, and irredeemable debt, can we go to our beds with satisfied consciences? Can we lay our heads upon our pillows and, without self-reproach, supplicate the Almighty Mercy to forgive us our debts as we forgive our debtors?

Sir, let us meet the unanimous wishes of the country and proclaim relief to the unfortunate throughout the land. What should hinder? What should stay our hands from this good work? Creditors do not oppose it; they apply for it, debtors solicit it with an importunity, earnestness, and anxiety not to be described; the Constitution enjoins it, and all the considerations of justice, policy, and propriety which are wrapped up in the phrase "public duty" demand it, as I think, and demand it loudly and imperatively at our hands.

Sir, let us gratify the whole country for once with the joyous clang of chains, joyous because heard falling from the limbs of men. The wisest among those whom I address can desire nothing more beneficial than this measure, or more universally desired; and he who is youngest may not expect to live long enough to see a better opportunity of causing new pleasures and a happiness long untasted to spring up in the hearts of the poor and the humble. How many husbands and fathers are living with hopes which they can not suppress, and yet hardly dare to cherish, for the result of this debate! How many wives and mothers will pass sleepless and feverish nights until they know whether they and their families shall be raised from poverty, despondency, and despair, and restored again to the circles of industrious, independent, and happy life!

Sir, let it be to the honor of Congress that, in these days of political strife and controversy, we have laid aside for once the sin that most easily besets us and, with unanimity of counsel, and with singleness of heart, and of purpose, have accomplished for our country one measure of unquestionable good.

#### A MORAL QUESTION.

Mr. Chairman, there is another matter worthy of consideration. I think that wrapped up in a measure of this character is a great question of commercial morality—a question whose importance to every community can not be overestimated. How many men all over this country are to-day engaged in an unequal struggle with misfortune and adverse circumstances, borne down with a weight of debt which they can never lift, and who ought long ago to have surrendered, not because they are not entirely sensible of their inability to relieve themselves from their burdens by discharging their debts, but because they can derive no advantage from surrendering their property to their creditors, for the unpaid residue remains, and they are then stripped of both property and the possibility of acquiring it in the future. Such a condition of things exerts in any community an influence detrimental to debtor, creditor, and to the commercial community at large.

Mr. Chairman, there is no situation which subjects the truthfulness and the integrity of a man to so severe a test as this long-continued struggle of a debtor to hold on to his property, to exercise dominion over it, and to avoid the supposed reproach and disgrace of insolvency or bankruptcy. Every observing man, I dare say, has witnessed in his own community instances in which character has yielded by gentle but progressive stages to the solicitations of a false pride on the part of the debtor and the natural disinclination to surrender his property that cost him years of labor to acquire, because the residue of his indebtedness, unpaid, must still linger behind and pull him down. It is a slow process of moral disintegration, and it works in this way—you see it so often that it can not have escaped notice:

First, the truth is suppressed to maintain delusive appearances which disarm the vigilance of creditors who might otherwise precipitate a crisis; to preserve the appearance of solvency he borrows money from A to pay B; and so he keeps on revolving around the circle, robbing Peter to pay Paul. As the situation increases in intensity, the necessity for deception grows in ur-

gency. It is a short step from truth suppressed to falsehood expressed, and so the process of moral degeneration goes on, the loss to the creditor going hand in hand with the loss of veracity and integrity on the part of the debtor, until the end comes in a two-fold ruin. Let me read again from the cogent reasoning of Mr. Webster:

But the result is bad every way. It is bad to the public and to the country, which loses the efforts and the industry of so many useful and capable citizens. It is bad to creditors, because there is no security against preferences, no principle of equality, and no encouragement for honest, fair, and reasonable assignments of effects. As to the debtor, however good his intentions or earnest his endeavors, it subdues his spirit and degrades him in his own esteem; and if he attempts anything for the purpose of obtaining food and clothing for his family, he is driven to unworthy shifts and disguises, to the use of other persons' names, to the adoption of the character of agent, and various other contrivances to keep the little earnings of the day from the reach of his creditors. Fathers act in the name of their sons; sons act in the name of their fathers; all constantly exposed to the greatest temptation to misrepresent facts and to evade the law, if creditors should strike. All this is evil, unmixed evil. And what is it all for? Of what benefit to anybody? Who likes it? Who wishes it? What class of creditors desire it? What consideration of public good demands it?

#### PREFERENCES.

The false credit which enables men to continue business long after they are hopelessly and irretrievably insolvent is derived from indorsements of those who take the risk on the promise of being preferred if anything happens. On this appearance of solvency he sails on, catching wind wherever he can, taking on additional liabilities in proportion as he becomes unseaworthy, until the collapse comes, when one or two preferred creditors who supplied the wind that belied his delusive sails are saved and all the rest go down in irretrievable ruin. The tendency of a bankrupt law which stops preferences used as a means to still further inveigle the innocent to their loss will be to halt business careers when overtaken by insolvency, and curtail their opportunities and temptations to prey upon the community. There will be less fictitious credit, less overtrading, and the business of traders and others will be kept in closer relations with their own capital, and commercial piracy will sensibly diminish.

#### THE EXTENT OF OUR COUNTRY REQUIRES IT.

I would like to suggest another consideration from which I think the contention in favor of this bill derives no inconsiderable support. This is a great country. Its greatness can not well be exaggerated. Our commerce extends all over it, constituting a mighty network of exchanges. From its commercial centers the shuttles of exchange are flying to and fro from points near and remote, weaving mighty webs of internal commerce. There ought to be some national law to regulate the relations of debtor and creditor in that vast scheme of exchanges. They constitute, Mr. Chairman, the interstate commerce of the country; and it seems to me that there is about the same necessity for a law regulating in some degree and preserving to some extent uniformity in the mode of adjusting the relations of debtor and creditor as there is for an interstate-commerce law to regulate and control the transportation of the commodities involved in this extensive system of exchanges.

Now, Mr. Chairman, by way of recapitulation—for it is too late to detain the House longer—

Mr. CULBERSON. Would the gentleman from Pennsylvania like to yield now and conclude his remarks to-morrow?

Mr. BROSIUS. Well, I am very sensible of the kindness of my honorable friend from Texas, but I have to go away early in the morning, and I am just about to conclude my remarks. I ought not to say I am just about concluding, for there are several other observations that I would like to make, but I will not detain the House at this time. Members have always been extremely generous to me in the past; I feel like reciprocating that kindness, and if I can have the consent of the House to add a few quotations which I have not taken the time to read, I will conclude in a few moments.

Mr. HAINER of Nebraska. I move that the gentleman have unanimous consent to extend his remarks in the RECORD.

The CHAIRMAN. The Chair will submit that request at the conclusion of the gentleman's remarks.

#### MERCY PLEADS FOR IT.

Mr. BROSIUS. I am greatly indebted to my friends. But I was about to say a closing word. I was saying, Mr. Chairman, by way of recapitulation, that under the law of nine-tenths of the States of this Union a bankrupt or insolvent debtor is forever in chains. He can never release himself excepting in a case where the State possesses a bankrupt law and discharges the debtor from the obligation of the contract executed after the passage of the law.

I am not aware that there is a State in the Union having such a law on the statute books; I do not know whether there is or not. But if there is any situation in the world which could suggest the inscription that the poet found over the gates of hell, "Who enters here abandons hope," it is that of the despairing debtor who has been sweating under the burden of his debt for

years. He is absolutely without hope. If there is such a thing as commercial death in this world it is hopeless insolvency.

Now, I submit in conclusion that it is humane, it is merciful to relieve honest debtors from the body of this death upon the surrender of their property to their creditors. For these reasons, stated, I know, in a feeble and desultory way, I am for a uniform system of bankruptcy in this country. And I shall regret more than I can express if we fail, before we are through with it, to so amend the bill that it will command the approval of the House and become a law. [Applause.]

The CHAIRMAN. If there be no objection, the gentleman from Pennsylvania will be permitted to extend his remarks in the RECORD.

There was no objection.

Mr. TAYLOR of Indiana. Mr. Chairman, I do not see the gentleman from Alabama in his seat, and in his absence I move that the committee now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. OUTHWAITE reported that the Committee of the Whole House on the state of the Union, having had under consideration the bankruptcy bill, had come to no resolution thereon.

#### REPRINT OF BILLS.

Mr. BOATNER. Mr. Speaker, I am informed that the pending bill and the report have been exhausted, and I ask that a reprint be ordered.

The SPEAKER. In the absence of objection a reprint of the bill and report will be ordered.

There was no objection.

And then, on motion of Mr. BOATNER (at 4 o'clock and 45 minutes p. m.), the House adjourned.

#### CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 4239) for the relief of M. J. Gilstrap, and the same was referred to the Committee on Military Affairs.

#### PUBLIC BILLS.

Under clause 3 of Rule XXII, bills of the following titles were introduced, and severally referred as follows:

By Mr. HEARD (by request): A bill (H. R. 4278) fixing the salary of the warden of the United States jail in the District of Columbia, and the number of the employes, and compensation for each—to the Committee on Appropriations.

By Mr. COOPER of Indiana: A bill (H. R. 4279) relating to the sale of gas in the District of Columbia—to the Committee on the District of Columbia.

Also, a bill (H. R. 4280) providing for heat in street railroad transit companies of the District of Columbia—to the Committee on the District of Columbia.

#### PRIVATE BILLS, ETC.

Under clause 1 of Rule XXII, private bills of the following titles were presented and referred as follows:

By Mr. ROBERTSON of Louisiana: A bill (H. R. 4268) for the relief of the estate of Turner Merritt, late of Louisiana—to the Committee on War Claims.

Also, a bill (H. R. 4269) for the relief of the legal representatives of Margaret E. Woodard—to the Committee on War Claims.

By Mr. TERRY (by request): A bill (H. R. 4270) for the relief of the widow of Patrick P. Burton—to the Committee on Claims.

Also (by request), a bill (H. R. 4271) for the relief of the estate of August Heberlein—to the Committee on War Claims.

Also (by request), a bill (H. R. 4272) for the relief of the estate of Thomas J. Brown—to the Committee on War Claims.

Also (by request), a bill (H. R. 4273) for the relief of A. V. Haigh—to the Committee on War Claims.

Also, a bill (H. R. 4274) for the relief of the estate of Henry W. Long—to the Committee on War Claims.

By Mr. TATE (by request): A bill (H. R. 4275) for the relief of John M. Johnson—to the Committee on War Claims.

By Mr. COOPER of Indiana: A bill (H. R. 4276) to increase the pension of Joseph Craig—to the Committee on Invalid Pensions.

Also, a bill (H. R. 4277) for the relief of Francis M. Leach—to the Committee on Military Affairs.

#### PETITIONS, ETC.

Under clause 1 of Rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. BOEN: Petition of citizens of Sherburne County,

Minn., for free coinage of silver and the establishment of postal savings banks—to the Committee on Coinage, Weights, and Measures.

By Mr. FUNSTON: Petition of David C. Allen, praying that his claim for services as a spy and scout during the late war be referred to the Court of Claims—to the Committee on War Claims.

By Mr. HILBORN: Petition of the California Woman's Christian Temperance Union, favoring the passage of the bill known as Blair's Sunday rest bill—to the Committee on Labor.

Also, petition of the Board of Trade of Oakland, Cal., asking for an appropriation of money sufficient to construct a public building in said city requisite for post-office purposes—to the Committee on Public Buildings and Grounds.

By Mr. HUNTER: Statement in case of Jane Lister, to accompany House bill 941—to the Committee on Invalid Pensions.

Also, statement in case of Louisa F. Gameron, to accompany House bill 942—to the Committee on Invalid Pensions.

Also, statement in case of Robert B. Deem, to accompany House bill 944—to the Committee on Invalid Pensions.

Also, statement in case of heirs of Alpha A. Leach, to accompany House bill 945—to the Committee on Invalid Pensions.

Also, statement in case of heirs of James F. Cassatt, to accompany House bill 946—to the Committee on Invalid Pensions.

Also, statement in case of Thomas Warder Jones, to accompany House bill 865—to the Committee on Invalid Pensions.

By Mr. MCNAGNY: Papers to accompany House bill 4257—to the Committee on Invalid Pensions.

## SENATE.

FRIDAY, October 27, 1893.

[Continuation of legislative proceedings of Tuesday, October 17, 1893.]

The Senate met at 11 o'clock a. m., at the expiration of the recess.

The VICE-PRESIDENT. The Senate resumes its session. The Chair lays before the Senate the unfinished business, which will be read by title.

The SECRETARY. A bill (H. R. 1) to repeal a part of an act approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes."

Mr. CULLOM. I ask leave to interrupt the regular order long enough to introduce some morning business.

Mr. WOLCOTT. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Allen,	Gallinger,	Palmer,	Stockbridge,
Berry,	Hale,	Peffer,	Teller,
Blackburn,	Harris,	Perkins,	Turpie,
Caffery,	Hill,	Power,	Vance,
Carey,	Hoar,	Proctor,	Vest,
Cullom,	Kyle,	Ransom,	Voorhees,
Davis,	McMillan,	Roach,	Walthall,
Dixon,	McPherson,	Sherman,	White, La.
Dolph,	Manderson,	Shoup,	Wolcott,
Dubois,	Mitchell, Wis.	Smith,	
Faulkner,	Morrill,	Stewart,	

Mr. DIXON. The Senator from Connecticut [Mr. PLATT] is detained from his place here by sickness in his family.

The VICE-PRESIDENT. Forty-two Senators have answered to their names. There is no quorum present. What is the pleasure of the Senate?

Mr. JONES of Nevada and Mr. BATE entered the Chamber and answered to their names.

The VICE-PRESIDENT (at 11 o'clock and 9 minutes a. m.). Forty-four Senators have answered to their names. A quorum is present.

#### PETITIONS AND MEMORIALS.

Mr. DAVIS presented a petition of the Board of Trade of Mankato, Minn., praying for the repeal of the silver-purchasing clause of the so-called Sherman law; which was ordered to lie on the table.

Mr. CAREY presented memorials of representative Republicans of Wyoming; of Local Assembly, Knights of Labor, No. 2487, of Cheyenne, Wyo.; of Advance Assembly, Knights of Labor, No. 3261, of Rawlins, Wyo.; and of Wasatch Assembly, Knights of Labor, No. 3274, of Evanston, Wyo., remonstrating against the repeal of the so-called Sherman silver law; which were ordered to lie on the table.

Mr. BLACKBURN presented a petition of the Kentucky Annual Conference of the Methodist Episcopal Church, of Hardinsburg, Ky., composed of 85 ministers and representing 22,000 church members, praying for the repeal of the so-called Geary